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NATO Restructuring Engenders 'Misgivings'

PM1908192590 Moscow IZVESTIYA Russian 10 Aug 90 Morning Edition p 5

[Report by correspondent B. Moskvichev under the rubric "Perestroyka in NATO or Transatlantic Dialogue of the Deaf": "Chains of Conflict"]

[Text] Brussels—The end of the "cold war" has placed a review of NATO's military-strategic doctrine and reorientation of the entire system of safeguarding security in Europe on the agenda. In the present situation, not only interests of politicians and members of the military are coming into conflict but also relations between transatlantic allies, which previously had seemed fairly stable.

The decision—adopted under pressure of political interests—to restructure NATO and give it a political nature in the long term has met with very mixed reactions among the bloc's leadership. One high-ranking spokesman for the North Atlantic alliance has said that the difficulties connected with NATO's forthcoming restructuring are causing him grave misgivings. This primarily concerns plans for the possible reorganization of NATO's functional structure and command organization.

When I see all this mass of accumulated documents, directives, and resolutions, he said, and also the control and command structures that must be reoriented in line with the new strategy, I think that it is going to take at least 10 years for all these changes to achieve the desired result. Despite the wish of politicians, the purely technical aspects of reorganization appear extremely difficult to military pragmatists. In their opinion, the colossal volume of work involved gives rise to serious fears for the future of NATO itself.

Because of the large-scale difficulties involved with restructuring, some members of the bloc's leadership are showing a tendency to put off finding a solution to them in the hope that the solution will appear of its own accord in the course of work.

In the opinion of a number of European observers, serious dangers lie in wait for the bloc's reorganizers in the solution of questions connected with settling the more serious contradictions within the bloc.

A colloquium held in June this year was interesting in that during the course of the proceedings; the interests of diplomacy, strategy, industry, and technology, i.e. the entire complex of problems connected with safeguarding national security, the security of all the partners as a whole, and that of each of them individually, were intermixed. This rarely happens. The colloquium mirrored the conflicts between the United States and its European allies that have recently become quite clearly apparent.

We are referring to growing problems—in particular recently, concerning the formation of a single European market—of an economic and technological nature, which, in the opinion of the colloquium participants, are becoming increasingly antagonistic, turning transatlantic dialogue between the allies into a dialogue of the deaf.

The American side is increasingly and persistently demanding of its allies that a free arms market be created in Europe. In the opinion of EEC experts, the creation of such a market on American terms could be extremely dangerous to the entire complex of the European military industry. The fact is that the United States accounts for 50 percent of all arms sales to Europe, whereas Europe accounts for only two percent of all arms sales to the United States.

The U.S. military-industrial complex is trying to solve its own problems at the expense of its allies. The proposed 25 percent cut in the Pentagon budget that is to be achieved by 1994 will lead to a 15 percent reduction in the volume of military orders. The unfavorable market situation that is taking shape—unfavorable from the point of view of the U.S. military industry—is encouraging its representatives to seek a solution in the creation of more favorable terms for them on the European market. As one of the American participants in the aforementioned colloquium said, the United States has invested quite a lot in NATO over the last 40 years and so it has a right to expect good returns.

U.S. military-industrial circles believe that they must make more vigorous efforts to become established on the European market. They are particularly concerned by the fact that, after 1992, the requirements of the single European market will apply not only to civilian sectors of industry but also to military sectors. In their opinion, this will increase protectionist trends and could do serious damage to the interests of the American military-industrial complex.

Under these circumstances the United States is left with the hope of being able to play on its obligations to safeguard security in Europe, using this as an argument for creating conditions favorable to the United States in the future single market. Within the framework of this project, it is the intention of the Americans that NATO should serve as an agent for coordinating the activity of the arms market.

Weekly International Observers Roundtable

LD1908181390 Moscow Domestic Service in Russian 1130 GMT 19 Aug 90

["International Observers Roundtable" program with Dmitriy Antonovich Volskiy, member of the editorial board of "ZA REBEZHOM" (Abroad) weekly, and Sergey Mikhailovich Golyakov, political observer for "NOVOYE VREMYA" magazine; presented by Valentin Gubernatorov]

[Excerpts] [Gubernatorov] Hello, comrades. We are starting our traditional Sunday program, International Observers Roundtable. Its announcer, Valentin Gubernatorov, is at the microphone. With me in the studio are

Dmitriy Antonovich Volskiy, a member of the editorial board of the ZA REBEZHOM weekly, and Sergey Mikhalovich Golyakov, political observer for the NOVOYE VREMYA magazine.

Events in the Persian Gulf continue to agitate the world. What is causing people most alarm today? The fact that this conflict in the Near East might grow into global conflict. What do you think, Dmitriy Antonivich? Is this a possibility? After all, the United States, Britain, and France have, as we know, sent armed units to the conflict area and the Arab states are getting more and more involved as well.

[Volskiy] well, I would say this, that if these events had taken place some five years ago, let's say, it would have been difficult to exclude such a possibility. It would have been most likely. Today, however, in the new conditions, when the international situation as a whole has changed and there are very substantial advances in relations, above all, between the Soviet Union and the United States, it is important to understand the essence of what is happening right now in the Persian Gulf zone. Iraq seized Kuwait. A build-up of forces from various powers, the United States, Arab countries, and NATO states then followed in the Pesian Gulf zone. All the same, I think that the root of all these events lies in the actual mode of action Saddam Husayn has used. It is not a method from our own day but from the distant past, not even from the cold war period, but from before the war, from the 1930's when such seizures of territory and pretexts like that used by Saddam Husayn—when he spoke of aid to revolutionary or national forces—were used fairly extensively by various countries. Even Iraq's claims to Kuwait, incidentally, were not invented by Saddam Husayn. They had already been put forward at one time by one of his predecessors. That was 'Abd-al-Karim Qasim, against whom Saddam Husayn took part in a coup about 30 years ago.

[Gubernatorov] That's right. Qasim did put forward claims against Kuwait at that time but did not make up his mind to put them into action, whereas Saddam Husayn has taken this, to be blunt, risky and dangerous step. So is it simply a matter of the personal qualities of Saddam Husayn?

[Volskiy] Well, there is much talk, particularly in the foreign press, at the moment about the personal qualities of the current leader of Iraq. They write about his determination and at the same time about his cruelty, his penchant for his own cult of personality. [passage omitted]

The atmosphere is very harsh, severe, and cruel with regard to the Kurds, above all, against whom chemical weapons were used. At the same time, however, it should also be noted that people's living standards may have grown but debts have greatly increased, primarily because of the war with Iran. Baghdad has got itself into a most difficult financial situation. Many believe that it is basically because of this that Iraq has pocketed Kuwait, which is one of the wealthiest Arab countries.

[Golyakov] I think this is probably only one of the reasons, however, and all the more so when after all, for the moment, Iraq has not gained income from this aggression, instead losses all around, particularly because of the sanctions imposed against it.

[Volskiy] Yes, but the Iraqi Government might have guessed this is how things would turn out. However, I think its main calculations were in another plane. Iraq wants to become a regional military power, as they say nowadays, dominating the entire Persian Gulf zone and perhaps even the Arab East as a whole. It decided the situation could favor these intentions. By this, I mean that a general tension remains in the Near East. The Arab-Israeli conflict has not been settled; there is the Palestinian intifadah and the repression of it by the Israeli occupying authorities, and, finally, there could be the following calculation that, so to speak, in the international arena, rapprochement is under way between the Soviet Union and the United States, as is the process of strengthening international security.

Under these conditions, actions in some remote region could take place more or less unnoticed because no one would want to spoil the impression created among the public and the peoples by the improvements in the international situation. Or again, the following argument might be cited: previously the rivalry of the superpowers—the Soviet Union and the United States—could always be felt one way or another in any regional conflicts. This made such conflicts very dangerous. Each time, as you said, each of these conflicts could threaten a world war. Now that the Soviet Union and the United States are advancing along the road of settling these regional conflicts, there is less danger of this kind and this may have inspired Saddam Husayn to think that his hands were less tied than before.

[Gubernatorov] Yes, but the situation in the region is actually becoming inflamed now, not only because of the actions by Iraq, but also as a result of the military buildup of the United States and its allies in Saudi Arabia and the Persian Gulf. In such a situation, as you will understand, one spark is enough to set off a conflagration.

[Volskiy] It seems to me that one has bear in mind here that it is not just the United States and its allies who are involved in Saudi Arabia; some Arab countries are too. According to the press, Egypt and Syrian troops are being moved in and Morroco has promised to send a contingent. So, this operation is already of an inter-Arab nature, the nature of a conflict among the Arabs themselves. And finally, one should not overlook two other participants: Iran and Israel. Each of them gains from this conflict. After all, Saddam Husayn has already made concessions to Iran on all the points which remained in dispute at the end of the Iran-Iraq war. Whereas Israel, of

course, derives benefit from any such inter-Arab skirmishes, any inter-Arab conflict. But even so, it would be very easy for Israel to miscalculate, finding itself the object of the most unexpected attack from any side.

[Gubernatorov] Yes, but as I understand it, Israel is at present preparing for a possible attack from Iraq. Saddam Husayn has threatened chemical warfare against Israel, and the whole population is now equipping itself with gas masks.

[Volskiy] Yes, currently precautions are being taken against such an eventuality, which indicates just how unpredictable the situation is in the region and how fraught with various complications, with the most dramatic complications it is. But, it seems to me, that even so there are now possibilities for a peaceful solution, for political steps of some kind aimed at a settlement.

As you know, King Husayn of Jordan, Iraq's neighbor, undertook a mediating role. He has good relations with Iraq, to a certain extent forced because Jordan serves as a kind of buffer between Iraq and Israel. Moreover, the country has many Palestinians who by and large are inclined in favor of Baghdad. But, at the same time the king of Jordan is an old friend of Britain and the United States. He has always been regarded as one of the most pro-Western figures in the Near East. So, he does have certain possibilities as a mediator, and he may perhaps embark on a fresh round of shuttle diplomacy.

Besides all of this, certain political efforts have been made by the United Nations. The Security Council has already adopted two very important resolutions—and adopted them with the endorsement of all the permanent members—which have been fulfilled by many countries. In particular, these concern sanctions against Baghdad, and this shows the capabilities of the United Nations. And of course it is the United Nations alone that ought to decide what collective actions the world community should take in this situation. In general terms, there is no way out, other than a political settlement, for anyone. This is primarily in the interest of both Iraq, and naturally of Kuwait itself, and of other countries around the world, among them the Soviet Union, because we have many interests in Iraq. These derive from the fact that we have been partners with them in a great variety of spheres. In addition, we have many specialists there, oil workers for instance, and we have to concern ourselves with their safety.

After all, this is a problem about oil. Oil prices are rising. They have reached $25 and might even go to $30. This could be seen as profitable for us—profitable indeed—but it is in our interests that rises in those prices should not destabilize the world financial system, from which our economy cannot be divorced. It has to be based on that system if we are to obtain aid from the Western powers to pull our country out of its decline. This could be destabilized by price rises. So, here too it seems to me, we have to base our policies on the principle that everything in the world is interconnected. [passage omitted]

International Conversion Conference Ends

LD1708190890 Moscow TASS in English 1649 GMT 17 Aug 90

[By TASS correspondents Vyacheslav Akimov and Mikhail Ivanov]

[Text] A "good beginning" has been made in large-scale international dialogue on conversion issues, Yasushi Akashi, United Nations undersecretary-general for disarmament issues, told a news conference here today. Akashi was evaluating the results of the international conference on the subject "Conversion: Economic Adjustments in an Era of Arms Reduction", which ended here today.

The conference was organised by the U.N. Department for Disarmament under the auspices of the Soviet Peace Fund and the All-Union Central Council of Soviet Trade Unions (AUCCTU).

For five days, prominent public, political and trade union figures and scientists from 40 countries discussed a wide range of problems connected with conversion. Topics discussed included "conversion" under present-day peace economics, "the impact of disarmament on the economy and the environment on a global scale and global model projections," "arms cuts and macroeconomics," etc.

Participants in the forum devoted special attention to analysing the practical experience of various countries in the field of conversion. The question of specific measures to give social assistance to all those who may have suffer as a result of conversion also figured importantly. Within the framework of the conference, participants visited a number of Soviet defence-sector enterprises subject to conversion.

Professor Gordon Adams (U.S.) told journalists that he was impressed by this new manifestation of openness on the part of representatives of Soviet defence-sector agencies.

The U.S. scientist also noted the high qualification of the personnel of Soviet defence plants subject to conversion and the vigour with which they engage in a quest for new types of non-military products.

USSR Role in UN Peacekeeping Efforts Urged

90UF0452A Moscow KRASNAYA ZVEZDA in Russian 14 Aug 90 First Edition p 3

[Article by A. Kozyrev: "Signal of Hope Seen in Participation of UN Troops in Local Conflicts"]

[Text] A noteworthy feature of recent times is the appreciably intensified role of the United Nations in the settlement of regional conflicts with the use of UN

armed forces and military observers. Over the past two years, the "blue helmets" and "blue berets" bearing the UN emblem have been engaged in the conduct of five new large-scale operations in such explosive regions of the world as the Near and Middle East, South Africa, and Central America—as compared with 13 conducted over the past 43 years. Real prospects are coming into view for engaging quite sizable contingents of UN forces in the settlement of two other chronic conflicts—in Cambodia and the Western Sahara.

Today, as before, the use of UN armed forces is seen as an extreme, exceptional measure to which the international community has been forced to resort in instances where other political means of dispute settlement turn out to be inadequate. As opposed to the "cold war" days, however, UN operations are perceived in the world today not so much as a sign of the presence of military danger in various regions as much as material evidence of the reality and efficacy of the joint efforts of states to disengage military conflicts, to transfer them into the stream of political resolution.

The fact of the matter is that the very nature of UN military operations has changed. Whereas during the years of confrontation these operations often served as a final safety valve, opening in order to prevent a local conflict from turning into a great explosion with the superpowers involved, today they embody the joint contribution of these superpowers to facilitate a regional settlement. In other words, the internationalization of conflicts we see today does not constitute an index of increasing danger, but rather a signal of hope. The reason for such a qualitative change lies primarily in the policies of the strongest powers, the five permanent members of the Security Council (the USSR, United States, Great Britain, France, and China). In accordance with the UN Charter and borne out by the organization's entire record, the conduct of operations under UN aegis, especially military operations, are possible only with the consent of the "big five." And whereas even relatively recently "hot" wars in the "Third World" were looked upon by many of these powers only as a continuation of the "cold war" between them, today, as was noted at the Soviet- American summit conference in Washington, there is increased recognition that continuation of these conflicts is not in the interests of either side.

The strength of UN operations lies in nonuse of force. A qualitative difference between armed forces operating under the UN flag and all other armies consists in the fact that UN forces do not—and cannot—have a military enemy. Their mission is not that of destroying one of the sides, but rather of eliminating destabilizing factors and the manifestations of violence and extremism in regions of conflict. The presence of multinational, armed UN contingents in "hot spots" thrusts force on no one—they operate there with the consent of the parties concerned and are supported by the authority of the world community.

The readiness declared by the USSR, in the event of necessity, to examine the question of assigning a military contingent from the Soviet Armed Forces to the UN force, in accordance with our UN Charter obligations and upon decision of the Security Council, has been received in UN circles as specific confirmation of a new thinking. As is well known, 36 Soviet officers have been serving as part of a group of UN military observers in the Near East since 1973. Soviet representatives have also been part of the UN contingent in Namibia. However, this record of service is clearly not commensurate with the role and authority of the Soviet Union, especially in comparison to the scope and versatility of participation of other nations in UN operations—the Scandinavian countries, for example. Presently these countries provide almost 30 percent of the personnel of all peacekeeping forces, the total amount of which comes to more than 11,000 men. To prepare their servicemen, the Scandinavian countries have a well-balanced system of training at their disposal, conducted at special training centers and joined into a unified training network which was established by the northern countries back in the 1950's. Denmark, for example, engages primarily in training military police; Finland—military observers. Norway organizes courses for officers in material- technical supply services, Sweden—for staff officers, etc.

It seems to me we too should create a permanently functioning national readiness center with practical training seminars, preferably involving the participation of specialists and instructors from other countries. We must establish a systematic basis for exchanging participatory experience in UN operations with key countries. Such practice was begun recently when a group of experts from the USSR Ministry of Foreign Affairs and Ministry of Defense traveled to Finland. Several Soviet officers taking part in UN operations exercised useful initiative in establishing an association of UN veterans in our country, as is the practice in a number of Western nations.

In preparing for participation in UN operations, it is necessary of course to keep in mind that a great deal of effort will be required to overcome notions which took root during the "cold war" period on the immutable ideological and confrontational orientation of Soviet—and American as well—military presence abroad. An unwritten rule was formulated which is basically still in effect regarding nonparticipation of USSR and U.S. military contingents in UN operations. At the same time, the formation of a consensus in favor of such participation in the future is seen as an entirely realistic prospect.

In the specific framework of events it would also be worthwhile to take a look at the possibility of providing broader material-technical support to UN operations. Such opportunity is present today and we already have experience in this regard. The airlifting of UN contingents to and from Namibia in 1989-1990 by Aeroflot aircraft had a significant economic effect in addition to its political significance—on the order of 2.5 million

dollars—which in essence enabled us to partially compensate for the foreign currency payments owed by the USSR for this UN operation. Success here will depend to a decisive degree on the competence, operational effectiveness, flexibility, and strict execution within delivery time frames on the part of applicable Soviet departments, and also on the provision of spare parts and servicing of equipment delivered. All of this can be seen as one of the trends of conversion and the development of cooperation between the Soviet military and our colleagues from other countries, as a trend toward consolidation overall of the prestige of our military establishment at home and abroad.

On the whole it is felt that our status as a permanent member of the UN Security Council obligates us to further assist in the employment of multinational UN military contingents. This will help us avoid such heavy political, material, and human—as was the case in Afghanistan—expenses connected with unilateral involvement in regional conflicts. Although UN operations require the payment of our portion of financial dues for their conduct in accordance with established UN procedure, these expenses, amounting to several tens of millions of dollars, are not in any way comparable to the multibillions spent to provide military-political and economic support for parties in confrontation, which often use this to achieve their own narrow and egoistic regional aims and resolve internal problems through force and antidemocratic means. In contrast to this, UN operations present an opportunity to strengthen the role and prestige of our country in the world arena, not by virtue of an exhaustive arms race but through active participation in revitalizing the environment of the world in general, and of its particular regions.

China

Moscow Radio's Views on Peng's ASEAN Tour

OW1808020990 Moscow International Service in Mandarin 0600 GMT 16 Aug 90

[From the "Asian Affairs" program]

[Text] Dear listeners, the recent visit of Li Peng, premier of China's State Council, to the three Association of Southeast Asian Nations (ASEAN) countries of Indonesia, Singapore, and Thailand has aroused people's attention. This is because issues regarding bilateral relations which are very important to the entire region were discussed at such high-level talks. For instance, a document was signed in Jakarta on the resumption of diplomatic relations which were severed 23 years ago.

Discussions on the Cambodian issue held in three ASEAN capitals are also of significance. It should be pointed out that a mutual understanding on many aspects of the problem was reached among negotiating partners. For example, all parties pointed out the need to strive for a political mediation for the country and to bring peace to Cambodia.

In the opinion of observers, new possibilities have emerged, which will strengthen the role of cooperation between ASEAN nations and China in the process of speeding up the progress of mediation.

The Indonesian daily KOMPAS maintains that this kind of cooperation can proceed along the direction of Cambodia setting up the Supreme National Council to prevent confrontation on Cambodia's status in the United Nations. Here I want to point out that, on the basis of an accord achieved by all leaders of the Cambodian parties, this organ should exercise all political powers in the nation during the transition period until popular and free elections are held.

Naturally, setting up the Supreme National Council is first and foremost the task of all the parties in Cambodia involved in the dispute. Nevertheless, China, which supports the Khmer Rouge, can also play its role here. It should be noted that this kind of support is being used in the region as a justification for their refusal to make concessions. This kind of support also explains why there is a lack of effort in reaching a compromise. A willingness to compromise is needed to solve pressing problems.

Leaders in the capitals of ASEAN countries appealed to China's State Council Premier Li Peng, urging him to take concrete steps by first using his influence to hasten the progress of mediation to convince the Khmer Rouge to stop taking military action and head for the road toward peace. They positively evaluated Li Peng's statement that China will not support the Khmer Rouge's leadership position in Cambodia. China will also stop providing them with military support if other parties in Cambodia no longer receive similar aid. All these contribute toward a conclusion. The Chinese leader's ASEAN tour has become a complimentary factor in speeding up the mediation process for Cambodia.

Here I will add that this tour was made shortly after Washington announced its change of position on Cambodia. The decision received widespread international recognition. On the basis of this decision, direct talks between the United States and Vietnam began in New York, which led to better mutual understanding among the partners. The bulletin issued by the U.S. State Department pointed out that the first round of talks has laid the foundation for discussion on this issue. Matters being discussed now give people a certain amount of hope. Progress of the Cambodian mediation process now will be able to develop further and at a quicker pace.

Admittedly, previous experience has shown that this process sometime will stumble upon unexpected obstacles. However, if all work hard together, these kinds of obstacles can be overcome.

PRC Embassy Issues Statement on Auto Workers

OW1708223190 Moscow International Service in Mandarin 0200 GMT 15 Aug 90

[Text] We have reported on an incident involving the Chinese workers at the Gorkiy Auto Plant. We believe that the essence of the issue is not the conflict between the Chinese workers and police at the former's dormitory as reported by KOMSOMOLSKAYA PRAVDA on 8 August. Just as (Volunin), deputy director of the Gorkiy Auto Plant, told our reporter, the vast majority of Chinese workers are working very well and with a high degree of initiative. Among the Chinese workers who have come to work in Gorkiy City, however, there are some people violating labor discipline and disrupting social order.

Upon receiving the news about the Gorkiy incident, we asked a representative of the Chinese Embassy in the Soviet Union to make a statement. After praising the Moscow radio station's desire for opinions from all those concerned so as to make an objective report, the Chinese Embassy promised to give an answer to this question. On 14 August, (Yang Kerong), press attache of the Chinese Embassy in the Soviet Union, sent a statement regarding the Gorkiy incident to our Editorial Department. The text of the statement follows:

Recently some incidents occurred in the area of the Gorkiy Auto Plant to the regret of both the Chinese and the Soviet sides. The Chinese Embassy in the Soviet Union has made an initial investigation. As revealed by the investigation, about 800 workers are working at the Gorkiy Auto Plant. Most of them are abiding by labor discipline and working very well. This is also the view held by the plant's administrative department, as confirmed by its deputy director (Volunin). In our opinion, the Chinese workers have been directly responsible under a series of circumstances, but there have also been

some misunderstandings because the Chinese workers do not understand Russian. Part of the responsibility, however, has to be undertaken by some of the Soviet citizens. For instance, these people have forced the Chinese workers to sell their belongings. The contents of the materials published by some Soviet papers are not in conformity with the actual facts. They place the responsibility entirely on the Chinese workers. This is not correct. For the sake of avoiding the recurrence of similar incidents in the future, ensuring the smooth development of cooperation, and maintaining the friendship between the people of the two countries, the Chinese side has taken and will continue to take steps to reinforce disciplinary education among the Chinese workers. We hope that relevant measures will be taken by the Soviet side as well. It is believed that the Chinese workers in Soviet enterprises can get along well with local residents and cooperate fruitfully with Soviet workers.

The above is the statement sent to our Editorial Department on the morning of 14 August by the Chinese Embassy in the Soviet Union. Meanwhile, some Soviet papers have reported on the Gorkiy incident involving Chinese workers. For example, reports on this incident have been run by KOMSOMOLSKAYA PRAVDA, IZVESTIYA, TRUD, Gorkiy city PRAVDA, and the Soviet Central Television station.

According to our tradition, we wish to brief our listeners on various viewpoints. Following are excerpts from a statement made by (Volunin), deputy director of the Gorkiy Auto Plant, published in the 14 August TRUD:

Volunin pointed out: The contracts signed with the Chinese workers contain the clause that we can repatriate to China those workers who have been absent from work and who have failed to work and behave well. We repatriated 20 Chinese workers last week and another 50 this week. On 3 August, a group of Chinese workers crossed the border and arrived in the Soviet Union, but we refused to accept them. At this time, we have to maintain a good order among the existing Chinese workers. As for the furniture damaged by the Chinese workers and other losses caused by them, we have sent a bill to the Chinese side in the amount of 25,000 roubles. My impression is that about 100 of the Chinese workers came to the Soviet Union apparently not for the purpose of working here, while one half of the Chinese workers here are doing an exceptionally good job. What should not to be forgotten is that we have assigned the Chinese workers to work in the most arduous workshops where even the temporary workers hired from our own country cannot work for a long time. If we had no Chinese workers at this time, our plant would be in great difficulties, (Volunin) stressed.

Mikhaylov, a special reporter of our Chinese-Language editorial department, is presently making a detail investigation of the incident in Gorkiy City.

Moscow Reports on Conflict

OW1708223290 Moscow International Service in Mandarin 0200 GMT 16 Aug 90

[Text] We have reported earlier that there have been conflicts in Gorkiy City. According to the contract, some 800 Chinese workers arrived to work at Gorkiy Automobile Plant in May of this year. Our station reporter Mikhaylov went to the automobile plant and sent back the following report:

First of all, many Soviet newspapers have reported about the violation of public order, making transactions at unauthorized locations, absenteeism, and the damaging of properties in the dormitories by some Chinese workers. How are things today? In order to restore order in the city, the plant's leaders have decided to ask the Chinese workers to stop work and to send those who have violated labor discipline and public order back to China. About 100 of them have gone home, and another 45 are on their way. A Chinese delegation from the company in Liaoning Province which signed the contract to supply workers has arrived in Gorkiy City for negotiations.

I invited the deputy general of Gorkiy Automobile Plant who is in charge of personnel (Volunin) to give an account on the situation of Chinese workers in the plant. (Volunin) is one of those who advocated the contract. (?He often visited the workers in their dormitories.) According to a Chinese representative, (Volunin) still commands some respect among the Chinese workers.

(Volunin) said: We believe there are many problems in the dormitories. At present the place is very filthy. Many refrigerators and electric stoves have been damaged. One must realize that we provided them with the residential type of dormitories. The leaders of the Chinese side do not understand the situation, and cannot exert their authority. We often request to have them changed because they cannot get things done. Once, we asked them to improve order in the dormitories within a week, and to restore the facilities to their original state.

(Volunin) added: The main complaint of the Chinese side is low wages. We regret to say that we also made mistake in this area because we have failed to take all matters into consideration. The Chinese argued that the Soviet labor system and wages are different from that in China.

We must note that wages are the most complicated issue during negotiations. The Chinese side held that Chinese workers are working in the most labor intensive section of the factory floor but their incomes are less than Soviet workers. The two side agree that this is main cause of the conflict. But what actually happened?

The Chinese workers are indeed working at the most laborious section of the factory floor because the plant cannot find anyone willing to work there. According to the wage contract, the Chinese workers are paid according the plant's unified wage scale. But their actual income is less than Soviet workers. For example, the Chinese workers do not receive the technical skill allowance. This allowance is quite a sum, and only workers who have worked at the plant between one and three years receive such allowance. According to the terms in the contract, 40 percent of the Chinese workers' wages

are used to purchase automobile spare parts in the Soviet Union. The company in Liaoning Province then sells these parts in China. According to the Chinese side, part of money from the spare parts sale is treated as company earnings while the rest is given to families of Chinese workers at home as an allowance. Income tax, meals and boarding are then deducted from the remaining 60 percent. The Chinese workers and their leaders have yet to understand Soviet labor law. Some workers absent themselves without medical leave certificates because of minor injuries, and it is very difficult to explain to them that this is regarded as being absent from work and that they will not get a bonus because of this. At present, we are resolving these problems and briefing the Chinese leaders on the details of the wage structure.

Both parties believed that clarifying each other's position will help to solve the labor conflict. Although there are many problems, the two sides have expressed their optimism.

Northeast Asia

Peace, Reunification Rally Held at Panmunjom

SK1708123390 Moscow International Service in Korean 1100 GMT 16 Aug 90

[By TASS correspondent Vladimir Nadashkevich from Panmunjom, from the "Focus on Asia" program]

[Text] Thousands of delegates from the DPRK and Korean delegates living in Japan, China, North America, and the Soviet Union have gathered at Panmunjom, the spot where the Military Demarcation Line [MDL] exists, to discuss the issue of reunifying the divided Korea.

This MDL appeared as a result of the bloody Korean war which lasted from 1950 to 1953 and which divided the nation into a battlefield.

On the 45th anniversary of Korean liberation from the Japanese colonial rule, the pan-national rally was held on the theme of peace and reunification.

It is regrettable but it is not appropriate to say that this meeting is a pannational meeting. This is because the delegates of South Korea, which has a population of 42 million people, more than in North Korea, did not participate in this meeting.

In the preliminary talks, the DPRK and South Korea did not reach an agreement on the issue of who was going to represent the South Korean society at the meeting.

Pointing to the character of the pan-national rally, the Seoul side insisted that the participants should be representatives of organizations that represent all classes of the South Korean people. If this is the case, supporters of the government can also participate.

However, since the DPRK has not approved of any South Korean Government at any time, the DPRK does not recognize that the No Tae-u administration has any right to participate in organizing the meeting.

Under antigovernment slogans, this rally is being hosted and carried out by the National Democratic Alliance of Korea [Chonminnyon] which has united some 200 ROK organizations and groups. Therefore, the DPRK insisted that only delegates from Chonminnyon should participate in the meeting. This Chonminnyon represents all the classes of the people.

The South Korean authorities, who are regarded as opposing reunification, have no right to send their delegates to the meeting but must provide conditions for the delegates of (?Chonminnyon) to participate in the meeting and must guarantee their rights.

The meeting was carried out, but there still exist differences on the issue of resolving disputes that are put before the nation between the DPRK and the ROK. However, the atmosphere of the meeting which was held in Panmunjom was romantic.

The participants of the meeting are saying that the South Korean authorities frustrated the meeting and that this meeting was important from the view that discussions were held on easing tensions on the Korean Peninsula; establishing peace; and on settling the issue of reunification.

First of all, they insisted that U.S. troops must be withdrawn from South Korea. According to their assertion, the U.S. troops stationed in South Korea are the biggest barrier on the road to reunification and that this is preventing the establishment of peace conditions on the Korean Peninsula.

Participates of the meeting promised to make every effort to successfully carry out free travel between the North and South. They also expressed the goal to reunify the fatherland in a (?peaceful way) based on the confederal system.

They opposed the South Korean northern policy which hinders the improvement of good relations with socialist countries. They also opposed simultaneous entry into the United Nations by the ROK and the DPRK. This is because it will further solidify the nation's division.

In order to realize in advance a new history of the reunified fatherland, they stated that they are willing to actively participate in the ranks for reunification.

Among the documents adopted in the meeting, a letter to the secretary general of the United Nations is included. In the letter, it requested that peaceful settlement of the Korean issue be sought; that the UN Forces Command stationed in South Korea be withdrawn; that all foreign troops stationed in South Korea under the banner of the United Nations be withdrawn; and that single entry into the United Nations by South Korea not be allowed.

In a letter to U.S. President Bush it asked that U.S. troops be withdrawn and that meetings be held to reach

a mutual agreement between the DPRK and the United States or the DPRK, the United States, and South Korea.

Meeting Termed 'Positive Step'

LD1708164290 Moscow TASS in English 1621 GMT 17 Aug 90

[Text] Moscow August 17 TASS—A Soviet Foreign Ministry spokesman's statement was circulated here today:

The statement reads:

"A national conference for peace and reunification of Korea took place on August 15 at Panmunjom located on the demarcation line between North and South Korea.

"The conference, which was timed to coincide with the 45th anniversary of the liberation of Korea from Japanese colonial rule was attended by representatives from North Korea, some South Korean non-governmental organisations and Koreans residing abroad.

"Despite the fact that representatives of the Seoul administration were absent from the conference, the holding of such a major political forum in support of a relaxation of tension, peace and unification in the area of the demilitarised zone, which separates North and South Korea, reflected the Korean people's aspiration for national unity and for new forms and ways of inter-Korean dialogue.

"The Soviet Union regards the national conference for peace and reunification of Korea as a positive step on the way to reunification and hopes that it will be followed by new efforts by all participants in the inter-Korean dialogue to achieve national accord and reconciliation and create favourable conditions for the reunification of the motherland."

Anniversary of Korean Liberation Viewed

SK1708124690 Moscow International Service in Korean 0900 GMT 16 Aug 90

[Text] Yesterday, on 15 August, the Korean people celebrated the 45th anniversary of their liberation from the yoke of the Japanese imperialists.

In this connection, station commentator Andrey Illin wrote the following:

Liberation was greeted with great enthusiasm and hope on the Korean Peninsula. The people who for decades had been deprived of their own sovereign rights and even the right to speak in their own national language and enjoy their own culture, and who suffered from plundering and oppression, seemed to have attained independence and freedom. In fact, the Korean people's liberation was a significant event in the history of Korea.

Later, however, the country was divided in two: the socialist North Korea and the capitalist South Korea. The global confrontation between the two political systems of capitalism and socialism brought great pain to the people who had just been liberated from colonial rule.

Regrettable as it may be, history has seen many cases of joy turning to sorrow.

In this article, revealing my own personal view, I do not mean, under any circumstances, to betray the memory of the Soviet soldiers, the liberators of Korea, and their sacrifice. Nor am I trying to disparage the U.S. contribution to the annihilation of Japan. What I am trying to do is to make a good observation of what is hidden behind the gun salutes and speeches delivered on the anniversaries of liberation.

Whereas Germany was divided as an aggressor nation after being defeated in war, Korea was divided without even [word indistinct]. This makes the division of Korea all the more tragic.

The political climate in the world has now changed. East European countries that were once the buffer zone between the Soviet Union and the West have now attained genuine self-reliance. In return for the liberation of these countries from fascism 45 years ago, their freedom was taken away from them.

Today, [word indistinct] has collapsed and confrontation has given way to cooperation. The two states of Germany are on their way to reunification. When viewed against the background of this, the bleak, unchanging nature of the situation on the Korean Peninsula seems to be unreasonable and unfair.

The 45th anniversary of liberation is an anniversary that generates mixed feelings of sadness and joy in our minds. Under the circumstances in which Korea still is isolated from the political changes now taking place all over the world, the outside forces responsible for the division of Korea are obliged to become, without fail, the elements that cooperate in promoting dialogue between the two Koreas. These forces cannot be indifferent to the settlement of the Korean question.

In doing so, however, they should not interfere in the internal affairs of the Korean states or infringe upon their sovereignty.

Participants Gather in Moscow

SK1808100190 Moscow International Service in Korean 1100 gmt 17 Aug 90

[From the "Focus on Asia" program]

[Text] A gathering of participants of the Korean liberation war, activists of the Soviet-Korean Friendship Society, and functionaries from the DPRK Embassy in the Soviet Union was held yesterday at the Friendship Hall in Moscow as a function of Soviet-Korean friendship week which is now being observed in the Soviet Union.

Retired (?Lieutenant General) (Vasiliy Ryakov), ex-machine-gunner (Valentin Timonin), retired (?General) (Vladimor Bukurieyev), and other participants in the war exchanged conversation about the battles waged in the Korean front in August 1945.

Major General (Kim Chong-sam), military attache of the DPRK Army, Navy, and Air Force to the Soviet Union, extended sincere thanks to participants of the Korean liberation war and said that the Korean people will never forget the Soviet Army soldiers who liberated the country from the Japanese occupation.

DPRK Letter to UN Security Council Noted

SK1808095890 Moscow International Service in Korean 1100 GMT 17 Aug 90

[From the "Focus on Asia" program]

[Text] The DPRK has sent a letter to the United Nations in connection with the fact that South Korea is planning to build up its military strength under the patronage of the United States. The letter sent to the UN Security Council indicates that such a plan by South Korea has endangered the scheduled talks between the premiers of North and South Korea.

In particular, this document indicates that South Korea and the United States have deployed long-range artillery in the southern area of the Korean Peninsula and that they have also completed preparations for the joint production of new-type bombers. All of this has further aggravated tension on the Korean Peninsula.

Soviet Technology Exhibit To Open in Pyongyang

SK2008073990 Moscow International Service in Korean 1330 GMT 13 Aug 90

[Talk from the "Annals of Friendship" program]

[Excerpts] [First announcer] As we have reported, the 23d Soviet-Korean intergovernmental alternate meeting on economic and scientific and technological affairs was held last October in Pyongyang. The meeting agreed that the DPRK will hold a [word indistinct] exhibition in Moscow and that the Soviet Union will hold a similar exhibition in Pyongyang in 1990. People in Moscow saw a traditional Korean medicine and medical equipment exhibition last June at the Soviet People's Economy Exhibition Hall. The Korean Public Health Association and the Soviet State Committee for Science and Technology (?arranged this exhibition). Soviet experts will hold an exhibition in Pyongyang on Soviet scientific and technological information as well as peat collecting and processing procedures. As its title shows, the exhibition will be held in two parts. We asked Vladimir Michiporenko, director of a department of the (?Scientific and Technological Information Center) of the Soviet State Committee for Science and Technology, to explain the exhibition's division of scientific and technological information.

[Begin Michiporenko recording in Russian, fading into Korean translation—read by second announcer] The main purpose of this exhibition, which will be held at the Grand People's Study Hall in Pyongyang on 20-30 August, is to help Korean scholars and experts understand a state-level system concerning scientific and technological information in the Soviet Union and its role in guaranteeing scientific and technological progress. [passage omitted] [end recording]

[First announcer] Kachian Mazunov, deputy director of the Scientific and Technological Progress Department of the Russian Fuel Association, said that the other division of the Soviet exhibition will introduce peat mining and processing procedures.

[Begin Mazunov recording in Russian, fading into Korean translation—read by second announcer] Our association is in charge of the second division of the exhibition which will open on 20 August in Pyongyang. Abundant deposits of peat are not collected in the DPRK. Two years ago, our Korean companions were already interested in this exhibition. Our major purpose is to show our Korean companions goods processed from peat. There is a variety of processed goods. They include fuel, medicine, and fertilizers. As a result of this exhibition, contacts will be made to open joint-venture companies with the DPRK for collecting and processing peat. [passage omitted]

[Second announcer] We would like to add that a Soviet delegation led by Nikolay Laverov, deputy vice premier and chairman of the State Committee for Science and Technology of the Soviet Union, will stay in Pyongyang.

Soviet Warships Conclude Visit to DPRK

LD1808221290 Moscow TASS International Service in Russian 1410 GMT 18 Aug 90

[By TASS correspondent Aleksandr Ryabov]

[Text] Pyongyang 18 August [dateline as received] The official visit to the Democratic People's Republic of Korea by a detachment of Soviet warships ended today. The detachment was made up of the large destroyer Marshal Shaposhnikov and the escort ship Poryvistyy under the flag of Vice Admiral A.G. Oleynik, first deputy commander of the Pacific Fleet.

The visitors were warmly seen off on shore by the people of Vonsan and by servicemen from the Korean People's Army.

The previous day the crew of the flagship hosted Admiral Kim In-Chol, commander of the DPRK Navy. There was a meeting between working people and the Soviet sailors in one of the town's most picturesque spots, Sondovon Park Zone.

DPRK Embassy Staff Tour Moscow Chicken Farm

SK1808100690 Moscow International Service in Korean 1100 GMT 17 Aug 90

[Text] Staff members of the DPRK Embassy in the Soviet Union, including Kim Hui-su, DPRK charge d'affairs ad interim, today toured a chicken farm located in (Tomirino) city on the outskirts of Moscow. The chicken farm is a primary organization of the Soviet-Korean Friendship Society, and workers at the farm have long maintained friendship with Korean friends.

While inspecting this farm which, as one of the large-scale chicken farms in Moscow Oblast has supplied chicken and eggs to the capital of the Soviet Union, the DPRK guests exchanged cordial conversation with workers at the farm.

Planned Higher ROK Military Budget Viewed

SK1808060690 Moscow International Service in Korean 1100 GMT 17 Aug 90

[Talk by station commentator Sergey Petrov from "Focus on Asia" program: "Running Counter to Trend of Era"—read by announcer]

[Text] The ROK National Defense Ministry predicts a significant increase in military expenditures in the 1991 budget plan. The National Defense Ministry insists on an allocation of $9 billion 230 million. This would be a 26-percent increase over this year's military expenditure. Our station commentator Sergey Petrov comments on this:

A new political situation has emerged in the world and even on the Korean Peninsula. However, even though the ROK economic situation has worsened, Seoul's military circles appear to continuously insist on the road toward a military confrontation with North Korea. They explain that this military expenditure is necessary to increase soldiers' wages, maintain U.S. forces in the country, and modernize weapons. This is like the act of coming up with a culprit when you need one. This time again they consider the DPRK such a culprit.

The South Korean military circles think that threats of southward invasion continue to exist. Let's analyze the situation. It is a fact that the DPRK has well-armed, strong forces. It is a fact that Seoul also has such armed forces. Also in South Korea are the U.S. Air Force troops and nuclear weapons which Seoul insists are based there to guarantee security for South Korea. Pyongyang does not have nuclear weapons. All these facts show that Seoul is shameless when it says that for the sake of national interests, it is trying to allocate a large share of the country's budget to military expenditures.

Seoul also says it opposes war. It says an increase of its military expenditure is related to the reduction of U.S. forces in Korea. Then what is reality? A proposal to reduce the U.S. forces is only under discussion. If such a reduction starts, this will only apply to (?auxiliary) [word indistinct] troops. However, the reduction of the Air Force troops will start after 2000 and no discussion is under way on nuclear weapons.

The unpopular request by the ROK National Defense Ministry appears to be an attempt to tap the opinions of the government and the social circles. However the era has changed and the military circles' ambition will not be able to win sympathy from them. This ambition of the military circles will discredit the political measures of Chongwadae [presidential residence] which has babbled that it will continuously promote friendship with northern countries.

The Economic Planning Board, the ROK's highest economic office, proposed lowering the increase of the military expenditure to 10 percent. There is another important aspect. For example, I think, Pyongyang will not look on with folded arms [words indistinct] of the South side, which has continuously armed itself under the slogans of peace and dialogue. This will result in a new arms race and only will build another obstacle to relations between the two Korean states. I think that this is why the ROK Government and president must clearly and unambiguously explain the increase in their military expenditure.

Pentagon To Reduce Joint Maneuvers With Japan

PM1808141290 Moscow SOVETSKAYA ROSSIYA in Russian 11 Aug 90 First Edition p 5

[TASS report under the rubric "The World in Events": "Fewer Maneuvers"]

[Text] The U.S. military command authorities in Japan have informed the Japan Defense Agency of the intention to reduce the scale of joint exercises which are regularly held on Japanese territory.

Under the Pentagon's plans, from 1992 maneuvers of the two countries' ground forces will be announced more rarely. It is not ruled out that the number of joint Navy and Air Force exercises will be cut in the future. As KYODO reports, the changes in U.S. Defense Department plans are being introduced primarily for financial reasons.

U.S.-Japanese ground forces maneuvers have been actively held on Japanese territory since 1981. In this time they have been held 47 times on Japanese islands. Starting in 1985, the joint war "games" became noticeably more frequent and have been held seven times a year.

'Japanologist' Appointed to Foreign Ministry

OW2008032390 Tokyo KYODO in English 0247 GMT 20 Aug 90

[Text] Moscow, Aug. 19 KYODO—The Soviet Government has appointed Aleksandr Panov, considered a leading Japanologist in the Soviet Foreign Ministry, as

head of the ministry's Pacific and Southeast Asian Bureau which covers Japan, government sources said Sunday.

Panov will officially assume the new post as soon as Japan gives agrement to the appointment of Lyudvig Chizhov, present head of the bureau, as new ambassador to Japan, the sources said. Chizhov is to succeed Nikolay Solovyev, who has been appointed ambassador to China.

Panov, 46, has served twice in the Soviet Embassy in Tokyo and has taught Japanese history at a Soviet university designed to educate journalists and diplomats.

Panov's appointment comes in advance of a scheduled visit on September 5 to Tokyo by Soviet Foreign Minister Eduard Shevardnadze to set the stage for the historic visit to Japan by Soviet President Mikhail Gorbachev next year.

Mongolia Approves Results of Cooperation Meeting

LD1908125490 Moscow TASS International Service in Russian 0805 GMT 19 Aug 90

[Text] Ulaanbaatar, 19 August (TASS)—TASS correspondent Dugar Sanzhiyev reports: The Mongolian People's Republic [MPR] Council of Ministers has approved the results of the recent 38th meeting of the Mongolian-Soviet joint inter-govenmental commission on economic, scientific, and technical cooperation held here. A decision adopted on this matter assigns specific tasks to relevant ministries and departments, today's UNEN says.

The MPR Government has, for instance, instructed the State Committee for Social and Economic Development, the ministries of trade and cooperation and finance, and the State Bank to elaborate a mechanism for the transition to freely convertible currency and world market prices in relations with the USSR in 1991, and in particular to bring the system of prices and reciprocal settlements into line with international practice. They are also instructed to adopt measures to expand exports and optimize the goods imported into the country, and to study in depth the situation in the world market.

There are also provisions for drawing up draft economic, trade, and scientific-technical agreements with the USSR for 1991 and the ensuing period, and for substantially revitalizing the system of reciprocal deliveries and payments.

New Party Newspaper Published in Mongolia

LD1908160190 Moscow TASS International Service in Russian 0940 GMT 19 Aug 90

[By TASS correspondent Dugar Sanzhiyev]

[Summary] Ulaanbaatar, 19 Aug (TASS)—The Mongolian Front of Patriotic Unity has published the first edition of a new newspaper called ERDENIYN ERIKH or VALUABLE ROSARIES [DRAGOTSENNYYE CHETKI].

Southeast Asia & Pacific

Burma's Military Uses Election 'Stalling Tactics'

BK1808114590 Moscow in Burmese to Burma 1430 GMT 17 Aug 90

[Dispatch from TASS correspondent in Rangoon]

[Text] As things stand, it appears that the Burmese military leaders are likely to observe the anniversary of the September 1988 events from their ministerial sofas. The generals, who were initially stunned by the impressive victory of the National League for Democracy [NLD] during the parliamentary elections, now are using stalling tactics. This is why there has still been no transfer to a civilian administration although the election results have been officially announced.

The military cited the need to carry out normal procedures in rejecting the NLD's proposal to hold talks with the State Law and Order Restoration Council [SLORC] on the issue of transferring power. It claimed that the 60-day period for filing election complaints for cases of abuse and irregularities during the elections still has not expired.

In June, the National Unity Party [NUP], which clearly enjoys the support of the SLORC, alleged that there were corrupt practices during the elections. However, no evidence of these practices was presented. In July, the NUP complained that the elections were not fair. However, U Kyaw Nyunt, chairman of the Election Commission [title as heard], had announced that there were no abuses by the NLD.

Meanwhile, Daw Aung San Suu Kyi, leader of the NLD, remains under house arrest by the military government for the second year. Deputy Foreign Minister U Ohn Kyaw categorically rejected attempts to relate the issue of Aung San Suu Kyi's release to the convening of the People's Assembly, the drafting of a new constitution, and the formation of a new government. Although the one-year sentence for the house arrest of Aung San Suu Kyi has expired, there has been no official announcement on the extension of this house arrest.

Meanwhile, after much thought following its ignominious defeat in the elections, the SLORC appears to have new plans. The Defense Services, which have been able to achieve some success in the economic field, do not want to put its programs in the hands of those who want to make fundamental changes. Hence, the SLORC has stressed the need to convene delegates from all strata of society to draft a new constitution which should be submitted to a national referendum after being approved by the SLORC. This would imply that the NLD, which won 80 percent of the seats in the new People's Assembly, would become a mere rubber stamp for a

constitution drafted according to the wishes of the Defense Services. What should the NLD do? Should it call on the people to come out to the streets and demonstrate? Martial law is still in force in Burma today. Will outside pressure prompt the generals to transfer power to the civilian government? The Indian newspaper HINDUSTAN TIMES recently asked whether it is time for Japan and the United States, which have been helping the military hang onto power through their assistance and trade, to review their stance. They appear not to have time for this issue, as today's world attention is fixed on the Persian Gulf. Meanwhile, the military leaders are trying to prove daily that they are efficiently administering the country. However, after the clear victory of the NLD, such attempts by the SLORC do not appear convincing. The TASS correspondent concludes by saying that if the military leaders continue to stall on the transfer of power, their prestige will decline noticeably both at home and abroad.

Closing of U.S. Bases in Philippines Debated

HK1708065390 Moscow in Tagalog to the Philippines 1300 GMT 16 Aug 90

[Commentary by Anatoliy Aleksandrov]

[Text] Manila has formally announced that the bases talks will resume at the end of the current month or beginning of September. These talks between the Philippine and U.S. Governments will be a continuation of last May's. It will be recalled that earlier, Philippine representatives strongly said that the Aquino government does not intend to extend the treaty retaining the military bases in the country. The U.S. representatives were surprised by the statement. Anything tackled in the discussion should be in accordance with the Philippine Constitution which was formulated in 1987. It stipulates that no foreign military bases in the Philippines are to be allowed unless there is a new treaty. If there is no new treaty after September 1991, it is clear that the military bases should withdraw from the Philippines. This was also reiterated by President Corazon Aquino.

Anti-bases groups would launch protests if a new treaty is forged. Some of them include many senators. But the recent events in the Philippines could affect the result of the talks. There is the monetary consideration in the use the military facilities as well as the country's big foreign debt and the damage caused by the recent earthquake.

The Philippines' internal affairs will affect not only the bases talks but also the Middle East situation. The Iraqi troops' attack on Kuwait shows the urgent need for the U.S. bases to remain in the Philippines. According THE INTERNATIONAL HERALD TRIBUNE, 350,000 tons of military equipment, originating from Clark Air Base, have been delivered to Diego Garcia in the Indian Ocean. U.S. forces deployed in the Persian Gulf can use this support. This is what happened during the Iran-Iraq war, in which 90 percent of the assistance came from U.S. military bases in the Philippines, particularly Clark Air Base. Here one can find oil and ammunition stores which the U.S. forces badly need for the western Pacific region and the Indian Ocean. Subic Naval Base, on the other hand, assures the naval operation in the said area and is the repair station for warships.

Many Western observers say that the events in Kuwait will further strengthen Manila's position in demanding from the U.S. Government higher fees for using the military facilities. U.S. representatives are aware of the bases' importance in the stability of the region. This propaganda may be difficult to understand. [sentence as heard] A detente in the region would [words indistinct]. U.S. forces are withrawing from the Indian Ocean because threats to its interests in this region are slowly reducing. Only one thing is clear at the moment, that the foreign military bases will remain in the Asia-Pacific region for a long time and the military bases issue in the Philippines could be a big problem.

Swedish Deputy Leaves After Talks on Cambodia

LD1008150190 Moscow TASS in English 1451 GMT 10 Aug 90

[Text] Moscow August 10 (TASS)—Hans-Goeran Franck, a prominent Swedish political and public figure, a Riksdag deputy, and chairman of the international public commission on Cambodia, visited the Soviet Union at the invitation of the Soviet Afro-Asian Solidarity Committee.

As a result of consultations on the main aspects of the situation in Cambodia, practical steps were mapped out to promote the process of settling the conflict in Indochina and to raise the role of the international democratic public in this respect.

Franck was received by Soviet Deputy Foreign Minister Igor Rogachev and Deputy Minister of Justice Mikhail Vyshinskiy.

The Swedish guest left for home by air today.

Near East & South Asia

U.S. Intends To Forcibly Ensure Blockade

LD1808070790 Moscow TASS in English 0642 GMT 18 Aug 90

[By TASS correspondent Mikhail Kochetkov]

[Text] United Nations August 18 TASS—The United States officially informed the United Nations Organisation about its decision to use force to implement economic sanctions against Iraq.

A letter by the United States U.N. mission addressed to the Security Council president says that the United States joined the Government of Kuwait and other governments to take actions effectively to enforce trade sanctions.

The United States will use force only if necessary and only within the scope which will be needed to prevent violations by ships of trade sanctions envisaged by Security Council Resolution 661, the letter points out.

Frigate Fires at Iraqi Ships

LD1908032190 Moscow in English to North America 2200 GMT 18 Aug 90

[Text] The naval forces of the United States in the Gulf region for the first time used firearms to stop the Iraqi ships to implement the trade embargo against Iraq introduced for its aggression in Kuwait. A representative of the U.S. Navy fleet stated that in the Gulf of Oman, American frigate Reid fired warning shots across the bow of an Iraqi tanker that refused an order to stop for check.

Iraqi Oil Industry Minister 'Isam al-Jalabi said that U.S. Navy motor boats in the Persian and Oman Gulf Saturday opened fire to stop two Iraqi tankers. Several shells fell close to the tankers but they still refused to stop. He stated that the responsibility for any consequences of these actions lies on the American authorities.

U.S. Continues Military Buildup in Gulf

LD1708205390 Moscow TASS in English 2038 GMT 17 Aug 90

[By TASS correspondent Nikolay Pakhomov]

[Text] Washington August 17 TASS—The United States continues to build up its military presence in the Persian Gulf zone. F-117 Stealth fighter-bombers, invisible for enemy radars, were sent there from the Langley Air Force Base in Virginia. They were first used last December during the U.S. invasion of Panama. Plans of the Pentagon envisage the sending to the Gulf area of 22 such planes.

A U.S. squadron of amphibious ships, capable of moving by the ground with a speed of 50 miles per hour, was also sent to the Persian Gulf. Other armaments, deployed there by Washington, include Hornet and A-10 planes, B-52 bombers, F-111, A6-E Intruder, F-15 and other planes, as well as helicopters, tanks, stinger and patriot ground-to-air missiles, and so on.

Some 45,000 U.S. Marines are taking part in the "Desert Shield" operation. This is their biggest deployment since the war in Vietnam. According to plans drawn up by the Pentagon, a total of 250,000 U.S. servicemen can be moved to the Persian Gulf area. According to preliminary estimates of the U.S. Defence Department, the deployment of U.S. troops and military hardware in the region will cost 1.18 billion dollars by the end of September.

When announcing on August 8 the beginning of U.S. operations in the Middle East, President Bush stressed that they would be of a purely defensive nature. In this connection observers draw attention to the fact that at present the level of the U.S. military presence obviously exceeds the defence demand. It looks more like Washington's preparations for starting offensive operations. However, Pentagon spokesman Pete Williams rejected it and said that it is only the deterrence force that is being deployed in the Gulf area.

UN Security Council Members Meet on Gulf Crisis

View Sanctions Against Iraq

LD1808064590 Moscow TASS in English 0639 GMT 18 Aug 90

[Text] United Nations August 18 TASS—The five permanent members of the U.N. Security Council—Britain, China, the United States, the USSR and France—held unprecedented consultations involving their military experts from the Military Staff Committee of the Security Council.

The consultations focused on the Gulf crisis and the possible organisation of multinational naval forces to fulfill Security Council Resolution 661 on economic sanctions against Iraq.

Tell Iraq To Allow Departures

LD1908103490 Moscow TASS in English 0942 GMT 19 Aug 90

[Text] United Nations August 19 TASS—The United Nations Security Council demanded unanimously late on Saturday that Iraq allow the immediate departure of foreigners [words indistinct] grant immediate and continuing access of consular officials to them.

The council's resolution expresses concern for the safety and well-being of third state nationals in Iraq and Kuwait and demanded that Iraq "take no action to jeopardise" their safety.

The council session was prompted by Iraq's announcement that it was detaining Westeners until the danger of war was over.

It was announced before the session that two U.N. under secretaries general were being sent to Baghdad to try to alleviate the plight of foreigners in Iraq and Kuwait.

Iraq's U.N. Ambassador Badul Amir al-Anbari attacked the United States and Britain for imposing a naval blockade against Iraq. He said the blockade went beyond the Security Council's sanctions.

Al-Anbari said that foreigners in Iraq are not hostages, but that "the whole of the Iraqi people is the hostage of U.S. terrorism."

He said foreigners' security is guaranteed if the United States and its allies guarantee that they will not attack Iraq.

U.S. Ambassador to the United Nations Thomas Pickering said Iraq "crossed the Rubicon" when it announced that foreigners were being moved to strategic sites to serve as military shields.

He said the lives of hundreds of thousands of people were being threatened and that no efforts should be spared to free these people.

The Soviet Union's Acting U.N. Ambassador Valentin Lozinskiy said the situation in the Persian Gulf continued to deteriorate. He expressed conviction that "all efforts should be continued to find an immediate solution on the basis of international law and the U.N. Charter."

"The current situation may lead to the further aggravation of tension with unpredictable consequences," he said.

Ministry Views Iraq's Detention of Foreigners

LD1808142790 Moscow TASS International Service in Russian 1343 GMT 18 Aug 90

["The Answer of the Representative of the USSR Ministry of Foreign Affairs to a Question From Agence France-Presse in Connection With a Decision by the Iraqi Authorities To Detain the Citizens of Some Countries."—TASS headline]

[Text] Moscow, 18 Aug (TASS)—The text of the answer of the representative of the USSR Ministry of Foreign Affairs is as follows:

"We are closely following the development of events in the Persian Gulf region, including the state of affairs regarding people who have been caught up there by the present situation, which started with the Iraqi invasion of Kuwait. In this context we focus our attention on the reports of the Iraqi authorities' decision to detain the citizens of a number of countries.

"If these reports correspond to reality, then clearly this is further grounds for concern over the way in which events in the region will develop. As we understand it, what is at issue is the safety of thousands of people and the possibility of such actions on the part of one or other side that would result in a fresh escalation in the tension."

Reportage on Evacuations From Iraq, Kuwait

Iraqis Cooperating

LD1708181590 Moscow TASS in English 1800 GMT 17 Aug 90

[Text] Moscow August 17 TASS—Replying to a welter of questions from worried relatives of Soviet specialists in Kuwait, a Soviet Foreign Ministry spokesman told TASS today that a special group led by Deputy Prime Minister Ivan Belousov is working to ensure the evacuation of Soviet citizens from Kuwait and, if need be, from Iraq.

The group was set up in line with the Soviet president's decision.

Spokesman Yuriy Gremitskikh described the situation as follows:

"The first group of Soviet evacuees, numbering 230 (oil workers and members of their families, including six children) left for the Iraqi-Jordanian border this morning after a one-day rest in the constructions settlement of New Karkh, 30 kilometers from Baghdad.

The group is expected to reach the Jordanian capital on Saturday night and fly from Amman to the USSR on Aeroflot planes.

The second group of Soviet specialists and members of their families (123, including 27 women and 23 children) arrived in Baghdad this morning. After a brief rest they are expected to leave for the Iraqi-Jordanian border on Sunday morning.

The departure of the third group of Soviet specialists and members of their families by vehicles from Kuwait to Baghdad is scheduled for Sunday.

The embassy and other Soviet institutions in Baghdad are doing a great deal to accommodate and provide all necessary assistance for the arriving Soviet citizens from Kuwait."

Iraqi authorities are cooperating with the evacuation, Gremitskikh said.

Buses Head to Jordanian Border

PM1708185790 Moscow SOVETSKAYA ROSSIYA in Russian 18 Aug 90 First Edition p 6

[Interview with I.S. Belousov, deputy chairman of the USSR Council of Ministers, by correspondent P. Timofeyev in Moscow on 16 August: "Home?" —first paragraph is editorial introduction]

[Text] There have already been reports in the press that in view of the worsening situation in Kuwait and the Persian Gulf region an interdepartmental working party has been set up by Soviet presidential instruction to tackle questions connected with the evacuation of Soviet citizens from the crisis zone. I.S. Belousov, deputy chairman of the USSR Council of Ministers, is directing all the work. He received our correspondent in his office in the Kremlin late Thursday evening.

[Timofeyev] First of all, Igor Sergeyevich, please tell us how the evacuation is progressing and how many Soviet citizens there now are in Kuwait and Iraq?

[Belousov] On 2 August, the day the Iraqi troops invaded Kuwait, there were 882 Soviet citizens in Kuwait and 7,791 of our compatriots in Iraq itself. On Wednesday morning the first bus convoy, carrying 230 people, set off from Kuwait for Baghdad; on Friday morning buses will leave Baghdad and head for the Jordanian border. If everything goes according to our plan, the first group of

Soviet citizens will be flown out of the Jordanian capital of Amman for Moscow by Aeroflot planes on Saturday at roughly 1200 hours Moscow time. After the first group was brought out of Kuwait, 24 hours later, on Thursday morning, a second group, numbering 123 people, left for Baghdad.

[Timofeyev] Do you not agree that the evacuation route chosen is the longest and most difficult....

[Belousov] It is indeed so, but we had no choice. We considered two other options: by sea and direct air route. Everything was ready for the sea operation, but we realized after detailed study that it was too dangerous, and we have no right to risk the lives of so many people. The same applies to evacuation by direct air route: We were informed by representatives of the Iraqi side that they could not guarantee the safety of flights over their territory. Therefore we decided on the only remaining option. We are planning to complete the evacuation of Soviet citizens from Kuwait by 22-23 August and are starting simultaneously to evacuate women and children from Iraq.

[Timofeyev] The bus convoys have to drive around 1,700 kilometers across Kuwaiti and Iraqi territory. What is being done to ensure security of passage through that section of the route?

[Belousov] Under the special powers granted by the USSR president, I invited the Iraqi ambassador in the Soviet Union to see me and had a long conversation with him, and I also sent a message to the Iraqi foreign minister. All these contacts were geared to one end—ensuring our people's safety. To date I have no grievances against the Iraqi side, the convoys are accompanied by military escort.

[Timofeyev] THE LOS ANGELES TIMES has published the following report: "Soviet military advisers, which number around 1,000, still remain in Iraq and are clearly offering assistance to Saddam Husayn's armed forces." Could you comment on this?

[Belousov] This information does not correspond to reality. We have a few dozen military specialists in Kuwait and fewer than 200 in Iraq. They are in those countries in connection with supplies of Soviet military equipment, its maintenance, and the training of cadres and have not and are not taking any part in military operations.

Evacuees Flown to Amman 18 Aug

LD1808151390 Moscow TASS in English 1435 GMT 18 Aug 90

[By TASS correspondent Gennadiy Marunin]

[Text] Amman August 18 TASS—The first group of Soviet citizens from Kuwait flew home from the Aliya Airport of Amman at 12.00 [local time] today. The plane carried 224 builders of oil-extracting structures. The luggage of the Soviet specialists was carried by a transport plane.

The group left behind a 1,800-kilometer exhausting trip by trucks from Kuwait to Baghdad and then to Amman. They travelled for three days by a highway crammed with military hardware and refugee cars, with the heat reaching 50 degrees centigrade.

"Our group included, aside from builders, eight children and 14 women. We reached the place of destination without adventures and road accidents thanks to a good preparation and organisation of the evacuation from the very beginning—from Kuwait to Amman. We were followed by trucks with all our personal belongings—all that we acquired during our business trip," Telman Alkatayev, senior executive of a construction sector and head of the group, told TASS.

"The convoy was accompanied by a water-carrying truck, that came with us to Baghdad. In the Iraqi capital we were given 400 1.5 [measurement not specified] bottles of mineral water. On all the stages of the trip we were accompanied by special groups made up of staff members of Soviet embassies. We fully calmed down when we crossed the border with Jordan and got on comfortable buses with air conditioners, which were rented specially for us by the Soviet Embassy in Jordan".

Alkatayev specially pointed to a good treatment of Soviet specialists by Iraqi soldiers. "None of us was harmed or mutilated. soldiers came to our flats many times, but there was not a single case of theft. Moreover, the Iraqi command provided us with an escort, when we left Kuwait, which followed us to the Kuwaiti-Iraqi border."

Vasiliy Dzyumenko from Surgut, secretary of the party organisation of the construction sector, spoke about a warm welcome accorded to Soviet builders in Jordan and about a good organisation of the operation.

The second group of Soviet citizens—122 people—was to leave Kuwait this morning. It is made up of military specialists and their families. They will be followed by the third group of 400 people.

Additional Departures Planned

LD1908130490 Moscow TASS International Service in Russian 1227 GMT 19 Aug 90

[Text] Moscow, 19 August (TASS)—The special interdepartmental working group headed by Igor Belousov, deputy chairman of the USSR Council of Ministers, is continuing to be actively engaged in organizing the conveyance of Soviet citizens out of Kuwait and also in preparing the evacuation of women and children from Iraq, a TASS correspondent was informed at the USSR Foreign Ministry.

The arrival in Moscow of 226 Soviet specialists and members of their families has already been reported. The difficult and exhausting journey is already behind them.

A second group of 123 evacuees from Kuwait was due to leave Baghdad for Amman on Sunday morning. Their arrival in Moscow is expected late August 20.

A third group of 363 persons left Kuwait on 18 August in the direction of Baghdad. With the permission of the Iraqi authorities, our convoy includes vehicles carrying 29 foreign citizens—Palestinians, Jordanians, and Italians. This group is due to set off from Baghdad in the direction of Jordan on the morning of 20 August.

Thus the situation up to 19 August is that 166 Soviet citizens remain in Kuwait but are preparing to leave.

At the same time preparatory measures are being carried out to begin the conveyance to the USSR of Soviet women and children from Iraq in the next few days.

As before, in conducting the evacuation the Soviet side is receiving the necessary assistance from Iraqi representatives, who are showing an amicable attitude toward Soviet citizens.

Enormous gratitude should be expressed to the Jordanian authorities and the private firms which are extending every kind of help and assistance to Soviet people travelling through Jordanian territory to Amman airport, from where they are departing by air for home.

Group of Women, Children Leave

LD2008100290 Moscow TASS International Service in Russian 0849 GMT 20 Aug 90

[Text] Amman, 20 Aug—A second group of Soviet citizens evacuated from Kuwait left the Jordanian capital today for Moscow on a special "Aeroflot" flight. The group, which left Kuwait on 16 August, was made up of 122 people—72 military specialist, 27 women, and 23 children.

"The Iraqi command gave us an escort group that accompanied our convoy almost to the Kuwait-Iraq frontier. Along the whole route from Kuwait to the Iraqi border control and check point at Rutbah—and that was 1,400 kilometers—we were shown understanding and a good attitude by the Iraqis," reported V.P. Novikov, the leader of the group.

A third group of 346 Soviet citizens is expected to arrive in Rutbah today. Like the first of 224, which arrived in Moscow on 18 August, it includes construction workers from oil facilities in Kuwait. They are due to arrive at the international airport of the Jordanian capital at dawn on 21 August. All in all, there were 880 Soviet citizens in Kuwait at the moment of its occupation by Iraqi troops.

Envoy Tours Mideast To Discuss Gulf Crisis

Meets With Libyan Official

LD1808102190 Moscow TASS International Service in Russian 0913 GMT 18 Aug 90

[Report by correspondent Vyacheslav Anchikov]

[Text] Tripoli, 18 Aug (TASS)—The special representative of the Soviet leadership, roving Ambassador M.D. Sytenko, met on Friday evening with a representative of the Libyan leadership, Husni Sha'aban, first deputy secretary of the People's Bureau for Foreign Liaison and International Cooperation of the SPLAJ [Socialist People's Libyan Arab Jamahiriyah], for consultations on the Iraq-Kuwait crisis.

During the meeting, there was a detailed exchange of views on the dangerous development of the situation in the Persian Gulf region. Ways of preventing a further escalation of military conflict and of settling the crisis were discussed.

Talks With Egyptian Ministers

LD1908182590 Moscow TASS in English 1805 GMT 19 Aug 90

[Text] Cairo August 19 TASS—Special representative of the Soviet leadership M. Sytenko, on a tour of several Middle East countries, was today received by Egyptian Foreign Minister 'Ismat 'Abd-al-Majid and Egyptian Minister of State for Foreign Affairs Butrus Ghali.

During the meetings, the sides discussed the situation in the Gulf which developed as a result of Iraq's invasion of Kuwait.

They expressed serious concern over growing tension in the region and pointed to the importance of collective actions under the U.N. auspices to settle the conflict.

Iraqi Deputy Minister Arrives in Moscow 20 Aug

LD2008094690 Moscow TASS in English 0938 GMT 29 Aug 90

[Text] Moscow August 20 TASS—Iraqi Deputy Prime Minister Sa'dun Hammadi, a member of the Iraqi Revolutionary Command Council, arrived in Moscow today.

General Discusses Military Ties With Baghdad

PM1508155990 Moscow IZVESTIYA in Russian 16 Aug 90 Morning Edition p 1

[Interview with Lieutenant General V. Nikityuk, first deputy chief of the USSR Armed Forces General Staff Main Directorate. by correspondents N. Burbyga and V. Litovkin; place and date not given: "What Are Our Servicemen Doing in Iraq?"—first paragraph is IZVESTIYA introduction]

[Text] Lieutenant General V. Nikityuk, first deputy chief of the USSR Armed Forces General Staff Main Directorate, answers this and other questions put by our correspondents.

[IZVESTIYA] Vladimir Pavlovich, how many Soviet military advisers are there in Iraq? What do they do? What is their contribution to the development of the Iraqi Army?

[Nikityuk] We have not had and do not have any military advisers in Iraq. Only military specialists are there. And their functions are fundamentally different. Advisers are called upon to resolve questions of building the Armed Forces, while specialists give assistance in mastering and operating the military hardware supplied under contract.

There are approximately 200 Soviet military specialists in Iraq. More precisely, there are 193 today, as I speak with you.

The senior officer is Major Gen. Anatoliy Vasilyevich Bannikov. I will take this opportunity to point out that the rumors that [Volga-Urals Military District Commander] Colonel Gen. A. Makashov is in charge of our specialists there are unfounded. Bannikov's subordinates have not taken and do not take any part in building the Iraqi Armed Forces or planning their combat use and have not given and do not give assistance in the operational training of troops and staffs. They have never ever appeared in areas of combat operations. Not now nor during the years of the Iraq-Iran war.

They include college and military course teachers and specialists in the installation and operation of hardware and in its repair, as well as in simulators and the equipment of proving grounds, tank training areas, and gunnery training facilities.

[IZVESTIYA] You have said that specialists help in mastering our hardware and equipment. But how much armament have we supplied to Iraq? What did we get in return?

[Nikityuk] Yes, under the 1972 Soviet-Iraqi Treaty of Friendship and Cooperation we supplied Iraq with a considerable quantity of armaments and combat hardware for the purpose of strengthening its defense capability. I wish to emphasize that these deliveries began at the time of the Iraqi people's struggle for their independence and were actively continued during the repulsing of Israeli aggression.

What kind of weapons are they? Missile complexes of the surface-to-surface type, T-72 tanks, infantry fighting vehicles, self-propelled 122-mm and 152-mm howitzers, multiple rocket launchers, and diverse antitank armaments. For air defense and the Air Force—antiaircraft missile systems of various ranges, MiG-23 and MiG-29 aircraft, Mi-24 helicopters, and other hardware. For the Navy....

[IZVESTIYA] Pardon me, but you have not mentioned Tu-22 and Tu-16 bombers....

[Nikityuk] They were supplied in the early seventies. Their operational life ended long ago.... So, patrol escorts and various launches were supplied for the Navy.

In addition, Iraq has purchased large consignments of arms and combat hardware from France, Italy, the FRG, Brazil, the United States, and other countries. They are mainly modern aircraft of the Mirage type, warships, control, communications, and electronic warfare systems, and other weapons.

Unfortunately, I cannot name the quantity of weapons and combat hardware supplied from the Soviet Union. It is not a question of our secrecy. The Soviet Government has certain obligations to the Iraqi side not to divulge such information. This is not only our secret.

Nor can I tell you the sum of money for which deliveries have been made. That too is a joint commercial secret. I can tell you only that Iraq has fully compensated our country's expenses. As a result we have obtained considerable amounts of foreign currency.

[IZVESTIYA] But these figures are widely known. The 1990 SIPRI (Stockholm International Peace Research Institute) Annual stated that Iraq has bought $25 billion worth of arms abroad, and that 53 percent of this sum is accounted for by the Soviet Union. France comes second, followed by China, Brazil, Egypt, and Czechoslovakia. Tell me, can this information be trusted?

[Nikityuk] I can only add that SIPRI is a nongovernmental, independent source which enjoys great international prestige. Its data can be taken into account, but it has to be understood that they are not absoute. We take note of them in our work, but the General Staff, naturally, relies on other information.

[IZVESTIYA] Let's return to the question of arms deliveries. Who makes the decisions to this effect in our country? What else have we sold Iraq? The foreign press has repeatedly mentioned that Iraq possesses chemical weapons. Did we supply them?

[Nikityuk] The decision on arms sales to a specific country is not taken by the USSR Ministry of Defense or the General Staff, but by the supreme state organs. Until recently it was the Politburo and the USSR Council of Ministers, now it is the USSR President and the USSR Council of Ministers.

The military merely takes part in the examination of the Iraqi Government's requests for arms and combat hardware deliveries and draw up their proposals jointly with the Ministry of Foreign Affairs, Ministry of Foreign Economic Relations, Ministry of Finance, and others, and the USSR Gosplan [State Planning Committee].

As for chemical weapons, the Soviet Union has never supplied them to anyone, nor has it rendered assistance in production technology transfer. And that includes

Iraq. We have only supplied antichemical defense means to that country—gas masks, rubberized protective suits, various dosimeters, and chemical decontamination facilities.

[IZVESTIYA] What ballistic missiles are we supplying to Iraq? What assistance are we rendering in their modernization?

[Nikityuk] We have supplied tactical and operational-tactical "surface-to-surface" missiles with a range of up to 300 km. That was in the early seventies. Since then we have sold no more missiles to Iraq, nor have we rendered any assistance in their modernization.

I must say that our stance in supplying these types of weapons is a very well-weighed stance. And in general, since the conclusion of the Iran-Iraq conflict mainly defensive weapons alone have been supplied by us to Iraq.

Now, as you know, in connection with the aggression against Kuwait all deliveries of our weapons to this country have been suspended.

[IZVESTIYA] But Iraqi servicemen are undergoing training at our military educational establishments. Which ones, specifically?

[Nikityuk] A small group of Iraqi specialists in the operation and maintenance of types of weapons and military hardware previously adopted by the Iraqi Army is now completing instruction in the USSR. They will no longer be studying anywhere here. Iraq trains its military specialists on its own, by the way, as well as in other highly developed countries.

Iraqis have studied in our country in past years. In military academies of communications, rear services, transport, and medicine, and at the Odessa Higher Military Combined Engineering Command School and the Krasnodar Combined Military Aviation Technical School. This training ceased with the start of the Iran-Iraq war.

[IZVESTIYA] One more question concerning weapons. You said that our supplies of weapons to Iraq have ceased. But where is the guarantee that it will not obtain them via third countries? And how in general do you regard the practice of arms sales?

[Nikityuk] Recipient countries are bound under intergovernmental agreements on the supply of arms not to transfer them to third countries without the assent of the Soviet side. We have granted such a right to no one. Moreover, we constantly monitor this process. And it must be said that instances of its violation are extremely rare. Although they do occur.

During the Iraq-Iran conflict, for example, one country transferred to Iran surface-to-surface missile complexes supplied by the USSR. Our government did not let this incident go unnoticed. After our statement such supplies were immediately stopped.

As far as the problem of the arms trade is concerned, there is no room for two opinions here. It must, of course, be stopped: Not unilaterally, however, but in the light of the existing international situation and the situation prevailing in a particular region.

It is no secret to you or anyone else that Western countries have not stopped and are not stopping military aid to their foreign partners and, according to available evidence, are not intending to reduce their influence where any interests of theirs are affected. We are are bound to take this into account.

But perestroyka is essential in this delicate sphere. It is necessary to approach with special deliberation a question such as the provision of military aid. To proceed from the principles of reasonable defense sufficiency, to take account of the long-term rather than the immediate economic interests of the country, and to rely on special laws on this question. And, of course, to do everything with openness and glasnost rather than in secret. We must conceal nothing from the people.

[IZVESTIYA] Last question. How many of our military specialists have remained in Kuwait? What is their fate? Are any Soviet-U.S. joint military actions against the aggressor contemplated?

[Nikityuk] There were around 50 Soviet military specialists plus members of their families in Kuwait. They are all alive and healthy and have already been evacuated.

I know nothing regarding joint actions. This question falls within the competence of the supreme state organs of the USSR, above all the Soviet president and the USSR Supreme Soviet. I can only add that no one has set the Defense Ministry such a task.

Kuwaiti Guerrillas Claim Car Bomb Attack

LD1908082890 Moscow TASS in English 0821 GMT 19 Aug 90

[By TASS correspondent Andrey Malyarov]

[Text] Cairo August 19 TASS—Kuwaiti guerrillas have carried out an operation against Iraqi invaders, Dubayy radio said, quoting a guerrilla communique.

It said a guerrilla steered a car, loaded with explosives, into the building of a city hospital turned into a barracks by Iraqi soldiers.

The communique said Iraqi soldiers suffered heavy casualties in the explosion. The car driver died.

Commentaries Continue Evaluating Gulf Crisis

Oil Needs Dictate U.S. Action

90UF0456A Moscow LITERATURNAYA GAZETA in Russian No 33, 15 Aug 90 pp 1, 14

[Report by correspondent Edgar Cheporov: "Fight for Oil"]

[Text] New York—On the second day following Iraq's invasion of Kuwait I, having filled my tank, paid $1.80 more than usual. Not even all the Iraqi tanks had crossed the Kuwaiti border before the American oil companies were raising prices. Rearranging the numbers on the board in front of the pump, its owner told me: "Every tanker is bringing a new price list. So understandably I also am having to make my few cents on each gallon."

It is at the pumps that Americans have perceived the onset of the new Near East crisis. Protests have started. Car owners have declared that "the market should be controlled." Sound familiar? G. Bush has addressed a request-cum-appeal to the oil companies not to gouge on gasoline prices. The latter have told him in reply that such now, at this time, is the price on the world market. Some companies have agreed to hold prices for several days, others have not agreed even to this.

And then the sendoffs of soldiers began—more than 100,000 have already been dispatched by sea and air to Saudi Arabia. The limited U.S. troop contingent will, it is believed, be raised to 250,000. Its mission is to prevent the invasion of this country by Saddam Husayn's army. Two American hospital ships have already been shown on television, and it has been reported how many casualties the surgeons could handle per hour. Protective chemical warfare gear has already been shown—Iraq is threatening chemical weapons, and it is known that Husayn employed them in the recent war with Iran. Pentagon experts have already warned that the United States could respond to Iraqi chemical attacks with massive "carpet" bombing, as in Vietnam. They are also talking about the possibility of a retaliatory chemical attack, and the prospects of a nuclear strike are even being discussed. But warnings are being heard here also: If we in a war with Iraq agree to such extreme measures, then, even having won the war on the battlefield, we would lose politically—in the eyes of the world community.

Neither the military nor the administration are fixing any time frame on how long the confrontation which has begun could last. Some experts, however, are maintaining that it will be long and exhausting. Husayn has a million-man army, more than 5,000 tanks and other equipment. This ruler would not spare his soldiers, as he did not spare them in the 10-year fight with Iran. He is frequently being called a "latter-day Hitler" here, but people are avoiding the appellation "mad." It is acknowledged that he is intelligent, resourceful, and capable of surprise moves and that he has many fanatically devoted accomplices. And consequently there can be no question of operations of the Grenada or Panama type. Washington sees as the best solution to the current situation Saddam being toppled by the Iraqis themselves.

The conflict which has begun in the Near East is a significant phenomenon and has naturally pulled into its orbit the most diverse political forces and jeopardized the interests of many countries. Having seized Kuwait, Saddam now controls 20 percent of world oil reserves. In the event of his succeeding in subjugating Saudi Arabia, he would dispose of 45 percent of these reserves. And this would mean that Iraq would dominate the Near East and could manipulate the price of oil on the world market. That same oil on whose supplies the United States, West Europe, and Japan depend.

In sum, Saddam Husayn's ambitions could destabilize the situation both regionally and worldwide. An increase in the price of oil, the Americans believe, would inevitably result in inflation and an intensification of the recession which has already begun. No one has an interest in such a prospect. It is recognition of this danger by the United States' Western partners and the absolute majority of Arab states which has led to the unprecedented unity in their response to Iraq's aggression against Kuwait.

Also unprecedented is the fact that the Soviet Union and the United States have found a common language in their approach to the crisis. This is explained here primarily by the desire of the USSR to avoid the disruptive influence of a Near East conflict on the atmosphere which has emerged in the world in the era following the "cold war." But there are also entirely pragmatic interpretations of our shift in attitude toward Iraq—Saddam Husayn owes Moscow $20 billion, but the USSR could obtain considerably more from the West. The Russians have, as a result, correctly reckoned up their possibilities....

I do not believe the decision to send troops to the Persian Gulf came easily to G. Bush. His political future and his party's success in the coming congressional elections will largely depend on the outcome of this operation. The President has not forgotten that Jimmy Carter's fate was decided to a considerable extent by the fact that the latter was unable to free the American hostages in Iran. G. Bush was surely also aware that a U.S. war in the far-off Arabian sands would be accepted by far from all Americans. Not only is the President not uttering such explosive words in his speeches as "war"—we are conducting, he says, a defensive operation—but also "blockade" and "hostages." Yet there are 3,000 Americans in Kuwait and 580 in Iraq, and Saddam Husayn considers them all prisoners of war.

The first opinion polls have shown that a majority of those asked supported the President's decision. But it is a far from absolute majority, and authors of the polls forecast that if it is considered that many Americans are skeptical in respect of the administration's actions even now, this mood could intensify even more given the first setbacks for the U.S. Army. It transpires from a study conducted by THE NEW YORK TIMES that for many of those polled the dispatch of troops to the Near East is associated with the start of the Vietnam war. Senator Paul Simon, a Democrat from the state of Illinois, says: "The majority is saying: 'Let us rein in Saddam Husayn.' But there is another current in public opinion also: 'There is no need for American intervention. Vietnam

remains a part of our lives.'" Four out of 10 participants in the same poll "doubt the need for American intervention." The opinion that "intervention will only help protect the profits of the big oil companies" is expressed in the same ratio. And finally, four out of 10 persons polled are unhappy that "G. Bush has not explained to them clearly why U.S. forces have been sent to the Near East."

Yet the U.S. President declared immediately following the start of the conflict and has repeated more than once since that the United States must defend its "vital interests" in the Near East. But what does this mean? The smoldering conflict has lent impetus to a new twist in the debate as to what constitutes the genuine interests of the United States and whether America's leaders have correctly defined the priorities of the United States' military and economic strategy in the Near East. It is by no means fortuitous, we may read in the local press, that G. Bush and his associates are not endeavoring to decipher the "vital interests" concept. This is because, THE NEW YORK TIMES writes, "the United States' real political and economic interests in the Near East do not appear that elevated compared with the principles which the President has appended to the operation now underway. The United States has sent its forces to the Persian Gulf not merely to help Saudi Arabia resist aggression. The troops were dispatched to support the OPEC members, which will with greater probability than others serve Washington's interests.... The United States has an interest in preserving the status quo and stability in the Persian Gulf mainly for economic reasons.... U.S. troops have been sent to this region to maintain control over the oil in the hands of pro-American Saudi Arabia in order that the oil price remain low."

But it is this emphasis on the status quo in the Persian Gulf, traditional and seemingly indisputable from the viewpoint of America's advantage, on which doubt is now being cast in the United States. The United States, the world's biggest oil consumer, obtains half of all its oil resources from overseas. America's economy has long been dependent on oil supplies from the Near East. Nonetheless, the oil crises of the 1970's have not been a reason for the United States to formulate a new energy policy and develop alternative types of energy resources. France has reduced its oil use 40 percent in recent years. The Americans, however, consume twice as much oil per capita as the Europeans. Why? It is profitable to the major American oil companies to continue to bring tankers from the Near East. A region which, in the opinion of Christopher Flavin, vice president of the Washington Worldwatch Institute research organization, is one of the most dangerous in the world. "It is foolhardy," he believes, "linking with it the future of energy supplies to the West. Unless we begin immediately to reduce our dependence, we will soon find ourselves militarily and economically in the position of a former superpower."

But now is the time to talk also about the dependence of the Near East—its dependence on military supplies. For years the United States and its Western partners, and the Soviet Union also, have armed the countries of the Persian Gulf, making it an explosive zone. The dramatic paradox is that ships of the USSR and the United States are patrolling the waters of the Gulf at a time when Saddam Husayn's army, equipped with Soviet and Western weapons, is on the Saudi Arabian border threatening a chemical attack. Washington, incidentally, was granting the Iraqi regime credit and technology at the very time Saddam Husayn was using poison gas against Iran and the Kurds on his own territory. Credit was until recently also being extended to Iraq by the World Bank and the IMF—organizations in which U.S. influence is, as is known, indisputable. And just two years ago Kuwait and Saudi Arabia were financing Iraq's war against Iran, and U.S. and NATO aircraft were providing Iraqi ships with air cover.

A facet of the cooperation of the USSR and Iraq has been Moscow's desire to create "a counterweight to American influence" in the region. The United States also has been strengthening its spheres of influence, far more significant than the Soviet spheres. A policy which seemed logical in the "cold war" era. A policy which has as a result engendered both many past conflicts and today's Near East conflict. The world, we are convinced yet again, is interdependent. It is recognition of this interdependence which has led to the USSR and the United States endeavoring together to find a way out of the crisis situation.

U.S., USSR Act 'in Concert'

LD1908092490 Moscow in English to North America 2300 GMT 18 Aug 90

[Commentary by political analyst Valentin Zorin; from the weekly "Moscow Viewpoint"]

[Text] In the current Middle East crisis, the Soviet Union and United States are acting in concert. This fundamentally differs from what took place for several decades. In this light I view the present Soviet-American interaction as a crucial political factor.

What underlines Moscow's striving to find a common tongue with Washington in regard to developments in the Middle East? I believe the main reason for this is the Soviet leader's adherence to the new political thinking, to the need to protect universal values. Iraq trampled on the foundations of international relations when it invaded a neighboring country, Kuwait, and subsequently proclaimed its annexation. Baghdad violated the United Nations charter and the Kuwaiti people's right to live in an independent state. That was a challenge to international law and order which all of humanity cherishes. And though the Soviet Union maintained good relations and extensive economic ties with Iraq for many years, when it learned of Iraq's invasion of Kuwait it could not take the stand of an onlooker. As soon as Moscow received reports on the incursion, it condemned Iraq for its aggression and demanded that Iraqi troops be pulled out of Kuwait immediately. Subsequently,

together with the United States and other countries, the Soviet Union backed the UN Security Council's resolution, which refused to recognize annexation of Kuwait and called for a trade embargo against Iraq.

And now many countries are attempting to calculate just how much the trade embargo is going to cost them. Soviet economists will undoubtedly do the same, they'll have to counteract debts to this country, the value of agreements on the deliveries of Iraq oil, payments for Soviet technical assistance and the increase in oil prices on the world market. Nevertheless no economic losses connected with the trade embargo imposed by the United Nations will affect the principled stand taken by the Soviet Union. This country will be faithful to its policy of opposition to Iraq's aggression and the use of the UN mechanism for this purpose.

The economic consequences of the Persian Gulf crisis will have their impact on the entire world community. They might include a possibility of disorganizing the world economy and reducing international economic cooperation. This is fraught with losses for the United States and many other countries too, such as the Soviet Union, which is seeking to join the world's economic system. But what matters most of all of course is the desire to assert in international relations the principles of justice and high moral standards. This is what determines the Soviet attitude to the crisis in the Middle East. These considerations have united the world community, making it possible for Washington and Moscow to work together.

Arab Unity Described as 'Shaky'

PM1708143090 Moscow IZVESTIYA in Russian 17 Aug 90 Morning Edition p 4

[Article by Konstantin Geyvandov under the rubric "Political Observer's Opinion": "Arab Night of Tragedy"]

[Text] The Arab world.... Only quite recently everyone took this concept to mean a conglomerate of over 20 countries, united in their national organization—the League of Arab States. It was always a rather shaky formation, insofar as the league's members each have their own interests. However, in recent decades leaders of the Arab world have endeavored to present it as some kind of politico-economic integral whole with, among other things, pannational aims and tasks, including the elimination of the consequences of Israeli aggression and the just resolution of the Palestinian problem.

It is unlikely that even last month anybody doubted that that is how matters stand. A recent issue of the authoritative London weekly ECONOMIST featured an extensive review of the state of the Arab world, the basic postulation of which was, naturally, the premise of its more or less integral nature. This was indicated even by the selection of the new realities facing the Arabs. Thus, the review analyzed why the Arabs greeted the changes in Europe without euphoria, what threats the demographic explosion holds for them, whether economic difficulties could befall the Arab world, and finally it attempted to answer the question: What will prevail in that world—democracy or fundamentalism? As in everything pertaining to pan-Arab problems, THE ECONOMIST could not fail to mention also the longstanding conflict with Israel, stating that the smell of war is once again in the air.

What nobody could have guessed was that on the night of 1-2 August war would break out in a completely different place. That a strong Arab state would attack its smaller neighbor, occupy it in a matter of hours, overthrowing the regime in power, and a few days later simply annex that country. We are talking, as you are aware, about Iraq's aggression against Kuwait, or that night in August 1990 which, as I see it, led to the collapse of the Arab world. If anyone considers the world "collapse" too strong in this context, let him replace it with "split." But it is quite obvious that it is, unfortunately, a split that is unlikely to be overcome soon. The results of last week's Cairo pan-Arab summit conference are revealing in this respect. Until recently all decisions at such forums were adopted by achieving a consensus. However, with respect to Iraq's anti-Kuwait action, the positions of various countries proved so irreconcilable that the final statement had to be put to a vote. Let me remark that the Iraqi aggression against Kuwait was condemned in this document and its annexation was declared illegal, as were all decrees adopted after the occupation. It contained a demand for the withdrawal of Iraqi troops from Kuwaiti territory and the restoration of Kuwait's sovereignty, independence, and territorial integrity as a full member of the Arab League and the United Nations. It also insisted on the restoration of Kuwait's legitimate government.

Thus, 12 of the 20 delegations present supported the aforementioned document in the vote, that is, the document was adopted by a majority of votes. Jordan, Sudan, and Mauritania reserved their own opinion. Iraq, Libya, and the PLO voted against. Algeria and Yemen abstained. In reply Iraq's leader S. Husayn called for the overthrow of the "oil amirs" and the prevention of the "desecration of Islamic holy places" in Saudi Arabia. He accused "corrupt" Arab leaders of opening the doors to invasion by the U.S. Armed Forces.

A few days earlier the Iraqi leader offered his own, to put it bluntly, radical vision of the future Arab world. He stated that the invasion of Kuwait was undertaken "in the interests of the Arab nation." Claiming that in dividing the Ottoman Empire 70 years ago the West dismembered a "united Arab homeland" into a multitude of states, and that this prevented the Arabs from exploiting all their opportunities for development, S. Husayn asserted that "the main riches of the Arab world became concentrated in the hands of the corrupt minority.... and the time has come for the Arab nation to begin a holy war with the aim of exploiting all of its riches."

In my opinion, the leaders of the Arab states, or at least, evidently, of the 12 that voted in Cairo for the resolution condemning and refusing to recognize the Iraqi authorities' actions in Kuwait, regard such statements as a pretext for conquering the Arab world, and the anti-Kuwait action as the first step down this road. And some of them, not restricting themselves to an emotional expression of feelings, have already sent contingents of their forces to Saudi Arabia, probably in preparation for something more serious that could follow a simple collapse or split.

I do not think that C. Husayn's latest political maneuvers have shaken or decreased their resolve to oppose further escalation of the conflict in the Persian Gulf. After all, in order to distract Arabs' attention from the aggression against Kuwait, he is now trying to switch attention to the traditional bogy of "Zionism," and, in an attempt to appease Iran, he suddenly announced his readiness to restore the 1975 Iran-Iraq treaty on settling the conflicts between the two countries, which he himself annulled.

This is, as the saying goes, one side of the coin. But it has, of course, another side, in my opinion no less serious. If you noticed, 20 of the 21 Arab League members attended the Cairo summit conference. Tunisia was absent owing to its leadership's particular reasons which were set out in an address to the people by the country's president, Zine El Abidine Ben Ali. This is what he said, in part: "As an Arab and Muslim country Tunisia is against the spurious legality of foreign interference in inter-Arab affairs, interference which is not in the interests of Arabs, or the cause of peace, or stability in the region and merely drives the sides immediately involved in the conflict further apart.

"The complicated situation in the Gulf," the Tunisian president went on, "has a bearing on the problem of the Arab nation's existence (who knows, perhaps the fragments of the broken vessel can still be collected and stuck together—K.G.), its security, and dignity. Is the pretext that is being used to send foreign troops onto Arab soil a legitimate one? We are well acquainted with such legitimacy, by virtue of which the Palestinian question became a chronic problem, the occupation of Arab territories continues, the invasion of Lebanon was undertaken, the intifada is being suppressed despite numerous UN resolutions, and a veto has been put on those who stand up for their legal rights."

I allowed myself to quote such a long part of President Z. Ben Ali's speech because the thoughts he expressed explain well the real cause of the mass demonstarations currently taking place both in this and in many other Arab countries. And it is typical that an overwhelming number of participants in them are young people. This is the same generation of Arabs that, like its contemporaries in the occupied Palestinian territories, has seen virtually nothing in life except humiliation and insults to its honor and dignity, mainly because of the failure to settle the Arab-Israeli conflict. I am sure that the desire of many of them to go fight in Iraq and Kuwait is dictated not so much by pro-Iraqi sentiments as by the chance to take part in a confrontation with U.S. troops. Do you recall the fate of the U.S. expeditionary force in Lebanon in 1983? And there is no way that this factor can be left out of the reckoning.

Moreover the U.S. Administration, in my view, has given grounds for such sentiments by too willingly and hastily using the action undertaken by Iraq as grounds for military interference on its own authority, at least in the first stage. And its subsequent actions, especially the ceaseless buildup of its armed forces in the region, are giving many people the impression that all the Americans needed was a pretext to get "both feet" well and truly planted in the Gulf, which the Iraqis have so "kindly" given them.

I am afraid that in actual fact all this is not as simple as it seems. But facts exist, and it would be nice if they were strictly adhered to when actions of one sort or another are undertaken. Iraq committed an act of aggression and annexed Kuwait. The world community of nations reacted expeditiously and sharply to these events in the form of at least three UN Security Council resolutions aimed at eliminating the consequences of the Iraqi armed intervention. Therefore it would be entirely natural for all measures associated with the implementation of these decisions to be organized under the UN umbrella. Including military measures if the need arises, after setting in motion such a mechanism as the Military Staff Committee.

But for now the obvious point is this: The longer the conflict drags on, the greater effect it will have not only on relations between Arabs, but also on the fate of international peace and security.

Iraqi Actions 'Treacherous'

90UF0458A Moscow LITERATURNAYA GAZETA in Russian No 33, 15 Aug 90 p 14

[Article by St. Kraynev: "Baghdad Treachery"]

[Text] The Kuwait drama has many dimensions. Its roots extend into the depths of history, into immediate politics, into oil interests, and into military strategy. It has already entailed many and purely human tragedies: More than 800 persons died in Kuwait itself, including seven members from the dynasty of the emir of Kuwait. Sufficient has already been written about all this in these weeks of the crisis. It immediately went beyond the framework of a bilateral Iraq-Kuwait conflict, acquiring not only a regional but also global dimension. Although the peak of the crisis has not yet passed, some people are already attempting to make preliminary evaluations of its consequences, particularly in the light of the unlawful decision by Baghdad to annex Kuwait. After this a local bilateral conflict clearly passed beyond the regional framework. To the unextinguished centers of tension in the Near East it has added one further fire, which has moved the world nearer to the brink of a broad-based war. In our interdependent world any war is not so much

a continuation as the bankruptcy of policy. The Iraqi aggression, if we categorize it also as a continuation of policy by other means, was the logical consequence of immoral policy, which has frequently been pursued by immoral means, what is more.

Both the domestic and foreign policy of Baghdad have under the conditions of the essentially as yet unfinished Iraq-Iran war been based mainly on Armed Forces mobilized to the maximum. The spring of the cocked trigger could not remain pulled for an infinite length of time. The trigger had already been in operation quite often prior to this.

The peace negotiations with Iran have been conducted to the accompaniment of incessant firing on the "cease-fire line." UN observers have in this time reported more than 2,000 various armed incidents and violations of the agreement. Each such violation under the conditions of the continuing tension and mistrust between countries which are de jure still in a state of war has contained a threat to the so ephemeral peace! Its fragility has been perceived within the country also, particularly in Kurdistan. According to a report of world press agencies, real fighting is erupting there continually: In the course of the punitive operations against the rebellious Kurds things have even reached the point of the use of toxic substances against the peaceful population.

Savage punitive measures, up to and including physical extermination, have been brought crashing down also on potential opponents of the regime, including on refractory or incautious journalists who "know too much." Despite all the protests of world public opinion, the British journalist Farzad Bazoft was executed on a "charge of espionage." Our Soviet colleague, TASS correspondent Aleksandr Bolmatov, also died in Baghdad under mysterious circumstances.

Baghdad has threatened repeatedly to once again employ force now against Iran, which refuses to consider itself conquered, now against Israel in response to its threats to strike at Iraq, now against Syria to compel it to quit Lebanon. But one might now involuntarily form the impression that this diversionary "war of words" was merely a noisy prelude to the unleashing of aggression against Kuwait, which has traditionally been considered a most peaceable state and which, incidentally, had rendered Iraq appreciable support in its war with Iran, not to mention generous financial credit estimated at billions of dollars! Grasping one's recent creditor by the throat in order to force him to write off old debts and fork out new munificent donations—is this not international racketeering called simply brigandage!

The Kuwait drama has become yet another "record-breaking war" in the Near East. To the "most protracted conflict of the century," which has developed into the 40-year Arab-Israeli war, to the most prolonged civil war in Lebanon, to the bloodiest, most devastating and costliest Iraq-Iran war, to the most "peaceful war"—the intifadah on the Israeli-occupied holy land of Palestine—has now been added perhaps the most treacherous and for this reason most shameful war of the end of the 20th century. Treacherous not only in the customary meaning of this word but also in the sense that it has, if not broken, undermined people's faith in the near possibility of the establishment of a just peace in the Near East and mankind's embarkation upon a new age—without wars, weapons, and violence.

So one more sacrilegious war on the sacred land of Islam. Its sponsors have spurned one principal commandment of the Koran prohibiting a Muslim from killing a Muslim (here, it is true, all records had already been broken many times over in Lebanon and Afghanistan and in the course of the Iran-Iraq war). But it is not merely a question of Baghdad's deviation from the behests of the Koran and the fundamental principles of the ruling Ba'th Party which proclaim the achievement of Arab unity as its "eternal mission." The point is that Husayn has also broken his own vows which he gave to his Arab brothers at the Baghdad summit. Calling on the Arabs at that time to adopt a common position in respect of "Zionism and Jewish emigration to Israel," the Iraqi president gave the assurance that Iraq would spare neither forces nor resources to repulse the aggressor. And now all these forces and resources have been thrown into the unleashing of armed intervention against a member of the Arab League—Kuwait.

Now the leaders of Arab states, who at their meeting in Baghdad recently saw as the main threat to the Arab world virtually the emigration of Soviet Jews to Israel, have held a special meeting in Cairo to study the situation, more dangerous than that in Palestine, which has taken shape in the Persian Gulf zone. It was on this occasion, for the first time, evidently, in the history of the Arab League, a question of the aggression of one Arab country against another. And of the need to adopt urgent measures to cut short the illegal annexation. In the event of continuation of the aggression, Egyptian President H. Mubarak declared, Iraq should be delivered a crushing retaliatory strike. Cairo expressed a readiness to participate in an inter-Arab armed force for the purpose of terminating the aggression. The Iraqi leader, according to the Egyptian president, has forfeited his credit of trust following his treacherous attack on Kuwait, despite his repeated assurances of his peaceable intentions.

The Kuwait tragedy is not only a blow to the hopes of the Arabs but also sabotage of peace and security at both the regional and global level. Iraqi aggression is not simply a relapse into "power politics." The Iraqi bombs dropped on Kuwait and the shells exploding there (it is only now that we are ascertaining in horror that the majority of them are of Soviet manufacture!) could play the part of rocks falling down a mountain side which cause an avalanche. Military forces of the United States have been brought up to the Persian Gulf.

Baghdad's recklessness is playing into the hands of all extremists, of Israel included. I do not believe that it would be to Israel's advantage under these conditions to launch an attack on Baghdad, as some observers believe, and thereby turn the anger of the international community, including that of the whole Arab world, against itself. But for Israel's "hawks" Iraq's actions could serve as justification for their claims that a peaceful solution of the Palestinian problem is impossible since the Arabs violate accords and agreements even between themselves, not stopping short at the use of force. The Zionist dream of a "Greater Israel from the Nile to the Euphrates" could once again be counterposed to the plan for a "Greater Iraq" within the bounds of the Fertile Crescent. As a result the process of unblocking regional conflicts, which had only just begun to gather momentum here, could not simply be interrupted but could give way to a chain reaction of violence. This is why the world community was immediately so unanimous in its condemnation of the aggression. The UN Security Council adopted unprecedented urgent joint sanctions against Iraq, essentially imposing an international boycott on it. On this occasion the Soviet Union also adopted an unusual posture, calling aggression aggression. "It is difficult and distressing for us to so qualify the recent actions of Iraq, a country to which we are bound by long-standing friendly relations," a USSR Foreign Ministry statement says. "We would like to preserve this friendship. But in this situation we cannot adopt a position of silence, even less act against our conscience."

Having abandoned the cliches of the old thinking, we for the first time summoned up the courage and boldness to accuse our recent "strategic ally" of unleashing aggression and to support its victim—monarchical Kuwait. We recall our invasion of Afghanistan. It also was accomplished on a pretext very similar to Baghdad's present "arguments": Iraq committed its forces to the neighboring country at the "invitation of a revolutionary government which had quickly been formed there." Yes, much of the wording and reasoning heard in our country 10 years ago in respect of the Soviet invasion of Afghanistan has now been borrowed, as it were, by the Iraqi regime (together with the weapons) from the Soviet leadership of the times of stagnation.

The expression "thief of Baghdad" is encountered frequently in the press at this time. It is a question not only of the seizure of other's land but also of the arrogation to himself of the right to play with the fate of an already too fragile peace. And I recall one surah, called "The Hypocrites," from the Koran: "They have turned their oaths into a shield and have turned aside from the way of Allah. Truly vile is that which they do."

Use of Hostages Condemned

PM1808152090 Moscow PRAVDA in Russian 19 Aug 90 First Edition p 5

["Observer's Opinion" column by Veniamin Shurygin under the general "Persian Gulf—Powder Keg"]

[Text] REUTER has reported that Iraq intends to hold the citizens of Western countries until the threat of a military attack disappears. Furthermore they will be housed at bases and other military facilities. In this way the Iraqi leadership hopes to secure those facilities against strikes from the air.

We are talking about a great many people. According to available information, Americans and Britons alone in Kuwait and Iraq total about 8,000.

This action shows that the Iraqi leaders do not intend to go into reverse and are preparing for war, and are using every means to that end, including means that are not only patently inappropriate, but criminal. The use of hostages is not compatible with the elementary norms of law and morality. This is a flagrant violation of the rights of those who are held forcibly in a country to which they came with good intentions; not only had they done it no harm, on the contrary, they had given it whatever help they could in resolving economic and other problems. The world community sharply condemned Iraq's aggression and its annexation of Kuwait. The mass use of hostages will undoubtedly prompt the same reaction in the world.

Saddam's Chances 'Slim'

LD1808165890 Moscow Television Service in Russian 1215 GMT 18 Aug 90

[From the "International Panorama" program presented by Igor Gulembiovskiy]

[Text] Many people in the press and on television are making serious comments on the situation in the Near East. But today I would like for us to ask ourselves just two questions.

The first one: What was our position? Our first reaction was irreproachable and I speak this with great satisfaction. We urgently and unreservedly condemned Iraq's aggression. We just as unreservedly ceased the supply of weapons to Iraq. We convinced the world and convinced ourselves that it is of no small importance that independent moral values are now present in our foreign policy. Further, it was in Moscow itself that Baker and Shevardnadze made their joint statement condemning Iraq's aggression. And this event, it seems to me, was the last full stop in the history of the cold war between our two great powers.

The second question: What would Iraq's success mean? Iraq's success would mean, first and foremost, a serious change in the balance of strength in the Near East where oil would become the strategic weapon. More that 66 prospected world reserves of oil are concentrated in the Persian Gulf. Last year this region satisfied a quarter of the world's demands. If Saddam Hussayn remains in Kuwait he will become the arbiter of the econonmic development of at least half of the world. He will be able to disrupt it by favoring some countries and blackmailing others. This already smacks of a world crisis.

But the chances of success for the Iraqi ruler are, I think, slim. We do not know whether the dictator thinks this. Let us recall Napolean's thought: A dictator with bayonets may do whatever he likes, the only thing which he cannot do is remain sitting on these bayonets. History has shown the truth of these words many times. I do not think that it will make an exception for Saddam Husayn.

'New Order' Seen in Relations

LD1808172590 Moscow Television Service in Russian 1215 GMT 18 Aug 90

[From the "International Panorama" program presented by Oleg Golembiovskiy]

[Text] Today, we naturally begin International Panorama with the events in the Persian Gulf. On the night of 1-2 August when Iraqi tanks burst into neighboring Kuwait, the small Arab state immediately became the center of all international political life and we were once again convinced of how dramatic incidents... [changes thought] we feel almost on our skins how fragile, how cramped, and unideal our world is.

Saddam Hussayn has decided to redesign it and in so doing has thrown down a challenge to all of civilized humanity. This is all the more savage if one recalls the difficult and complex manner in which the new order of international relations is taking shape on our planet—what we are calling the new political thinking. Let us compare: the blitzkrieg on the coasts of the Persian Gulf and the peaceful revolution in Eastern Europe, the right of the truncheon and the respect of the rights of man, of nations and statehood. Saddam Hussayn strove for everything in the pursuit of Kuwait's oil and gold and with the illusory hope of becoming the leader of the Arab world.

First, and this is evident today, he has destroyed Arab peace which was fragile anyway. Second, obviously without wishing this himself, he has secured the powerful presence of the United States of America in the Near East. As long ago as the 1970's when the Iran-Iraq war was raging, the United States of America simply implored its allies to allow it to place military bases on their territories. The Arabs politely and calmly answered them: no, thank you. Today, we already know, American soldiers have entrenched themselves in Saudi Arabia. All of this creates a completely new conflict in the Near East.

Kuwait Resistance Examined

LD1808212990 Moscow Television Service in Russian 1950 GMT 18 Aug 90

[Interview with Khalid al-Tarrah, chief of the Moscow bureau of the Kuwaiti news agency KUNA, by studio announcer Aleksandr Gurnov; from the "Television News Service" program—live; interview is conducted in English with superimposed Russian translation]

[Text] [Gurnov] We have just received a report that Shaykh Sabah al-Ahmad al-Sabah, deputy prime minister and foreign minister of Kuwait, is due to arrive in Moscow in literally a few hours' time. This information comes from the Kuwaiti news agency KUNA. In the studio we have the chief of KUNA's Moscow bureau, Khalid al-Tarrah.

What are the main goals of Kuwaiti diplomacy now?

[Al-Tarrah] There are two goals, one on the international scene and one in the Arab world itself. In the first case, it is to enlist the support of the five permanent members of the Security Council in implementing economic and trade sanctions in relation to Iraq, and also in ensuring compliance with the UN resolution on withdrawal of Iraqi troops from Kuwait and return to power of the legitimate government. But at the Arab level, Kuwait is striving for unity among the countries of the region in backing the struggle against aggression.

[Gurnov] Which sources of information on events in Kuwait do you today regard as being objective?

[Al-Tarrah] Primarily it is information from the country's legitimate leadership, headed by the Amir Shaykh al-Sabah, information from the KUNA agency. But I should not fail to mention journalists from other countries who have been working up to now in Kuwait, and who are transmitting to the world reports on the events taking place in the country. And incidentally, they include a TASS correspondent.

[Gurnov] Tell me, do you consider the resistance in Kuwait to be a real force standing up against the occupation? [The last part of this question is indistinctly heard in English as follows: "...influence the changing situation in Kuwait?"]

[Al-Tarrah] Yes, we have every reason to assume that the resistance can fully attain the goals it has set itself, namely the liberation of Kuwait. I should note that the detachments of the resistance are today better organized than in the first days. Their fighters include men and women, adults and children. And to judge from information in our possession, they are now putting up far from token resistance to the Iraqi troops in Kuwait.

[Gurnov] Thank you very much.

'Eye for an Eye' Feared

PM1908155190 Moscow IZVESTIYA in Russian 20 Aug 90 Morning Edition p 3

["Review" of Persian Gulf developments by Yu. Gatselyuk: "Warning Shots"]

[Excerpts] [passage omitted] More and more forces have continued to get involved in the actions being taken by various countries to compel Iraq to backtrack and fulfill the demand for the withdrawal of its troops from Kuwait. On Saturday the ruling National Democratic Party in Egypt called for the severance of friendly

relations between Egypt and Iraq in connection with its invasion of Kuwait. The same day India reported that it supports international sanctions against Iraq, while specifying at the same time that, in its view, a "total blockade" of that country contradicts the UN Charter.

What should have been Baghdad's reaction to events? Alas, emotions have again gotten the upper hand. On 18 August, according to UPI, Iraq stated that in response to the intensification of the naval blockade by the United States and Britain, which it assessed as an "act of aggression," Baghad would itself impose "its own naval blockade," and as far as foreigners from "hostile states" are concerned, they will not be able to leave Iraq or Kuwait "as long as the threat of war exists." [passage omitted]

It is worth stressing once again that in conditions like these it is dangerous to proceed from the "eye for an eye" principle. Evidently fearing that Western countries will attempt to release their fellow citizens, who have found themselves in the role of hostages in Iraq and Kuwait, with the aid of military force, the Italian foreign minister stressed Saturday that "such a step would be very dangerous at this time." [passage omitted]

Meanwhile the Strait of Oman has heard the first warning shots from American warships, which attempted to stop the Iraqi tankers Khanaqin and Baba Gurgur. Iraqi Oil Minister 'Isam 'Abd-al-Rahim al-Jalabi told the INA agency that the American ships tried to stop the tankers but their crews refused to obey the demands for an inspection. Several shots were then heard from the ships and shells fell into the sea alongside, in front of, and astern the tankers. "The tankers continued to follow the route they needed to, ignoring the American ships, which are violating international laws and usurping rights which have not been granted to anybody," the minister concluded. [passage omitted]

Another Saturday report—from America. REUTER reports that father of four John Campisi, a 30-year-old USAF sergeant who died in Saudi Arabia a week ago as a result of a runway accident when servicing aircraft of the U.S. military contingent, was buried with full honors at West Covina.

The first shot has already been heard, albeit a warning one; the first casualty has already been buried, albeit an "accidental" one....

Political Solution Needed

PM1908170390 Moscow KRASNAYA ZVEZDA in Russian 19 Aug 90 First Edition p 3

[Article by Colonel I. Vladimirov: "On the Brink of War"]

[Excerpts] Reports from the Persian Gulf zone are becoming increasingly alarming. More and more forces are moving into the area of the Iraq-Kuwait conflict. [passage omitted]

The guns are still silent, but with every passing day the threat of the regional crisis developing into an international conflict becomes increasingly tangible. A single careless step, and the fragile line separating the world from a new war in the Near East could collapse. Western experts are already openly discussing the most likely scenarios for the development of hostilities. Thus, former French Chief of Staff J. Lacaze, analyzing several scenarios for military operations against Baghdad, deemed it perfectly acceptable to hit Iraqi economic targets from the air. Some hotheads are advocating a preventive strike against Iraqi troops. In response Iraq is threatening to use chemical weapons if the enemy sets foot on Iraqi territory, including annexed Kuwait.

The entire world has an interest in the speediest settlement of the Persian Gulf conflict and the restoration of Kuwait's sovereignty and independence. The military path can lead only to new casualties and unpredictable consequences both for the Near East countries and for the world as a whole. The only visible way out of the situation that has developed is the solution by political means of the complex problems which have developed in the Persian Gulf region.

Economic Impact Assessed

PM1908182590 Moscow IZVESTIYA in Russian 18 Aug 90 Morning Edition p 4

[Article by E. Guseynov: "Prices Rising, Revenue Falling. On the Situation on the World Oil and Gold Markets"]

[Text] "The Soviet Union, which everybody still considers the world's biggest oil producer, is also deriving from the crisis a benefit not linked with decisions in the context of public diplomacy. The increase in oil prices and demand will help the USSR to replenish its foreign currency reserves."

The American newspaper PHILADELPHIA INQUIRER used these terms to comment on the possible economic consequences for our country of the crisis in the Persian Gulf. It probably needs to be said right away that this viewpoint in no way reflects the general opinion of authoritative Western economists, who are today feverishly analyzing the consequences for the world economy of the crisis that has exploded. But there is no doubt that the upheavals on the markets for the commodities which form the basis of Soviet exports require a detailed analysis of the actual gains and losses which the situation concerning Iraq's aggression against Kuwait prefigures for our country.

Let us begin with the main item in this situation—oil. It represents the main Soviet export item: 127 million tonnes last year. Admittedly this trade has brought more disappointment than gratification recently because since 1986 prices for liquid fuel have fallen by almost half in comparison with the "boom" period of the seventies, reducing our foreign exchange revenue by almost the same amount.

This is precisely why it might have been expected that the inevitable jump in oil prices caused by Iraq's invasion of Kuwait and the introduction of economic sanctions against the aggressor would substantially improve our balance of trade in this raw material. Yes indeed, because 4 million barrels of oil a day—more than 20 percent of the OPEC countries' extraction and around nine percent of world production—would disappear from the market as if at the wave of a magic wand. And prices did indeed rise sharply. But not enough to substantially affect the Soviet Union's revenue.

Let us make a comparison. At the beginning of 1990, after a slow rise in oil prices over many years, the price per barrel had reached a more or less acceptable level—$20-22 depending on grade and quality. After that, in April-May, as if in retaliation, prices once again plummeted to a level of $14-16 a barrel. And then came the Iraqi invasion of Kuwait. Five days after it began, dealers on London's Brent market were paying $28 for a barrel of high-quality oil from the North Sea. And then... prices began to fall again, and then gradually to recover to plateau at $26. Here the rise stopped altogether. Even the reader who is not au fait with the subtleties of market forces will easily see that as a result of all this hoopla the acute crisis has prompted a price rise of only 20 percent compared with the beginning of this year.

However even in these conditions a substantial increase in profits from our oil trade could of course be expected, provided that long-term price stabilization could be counted on. But there are few grounds for such hopes.

First, because a number of OPEC members, including Venezuela and Saudi Arabia, have already declared their readiness to increase extraction sufficiently to compensate for the withdrawal of Iraq and Kuwait from the market. Incidentally, consultations have already begun on this score between Venezuela, Saudi Arabia, Iran, and Algeria.

And second, because the developed importing countries have sufficient oil reserves to be able to speedily and effectively quash speculative demand. Their stocks—142 million tonnes—make it possible to maintain the present level of consumption for 150 days even without resorting to purchases from elsewhere. The United States alone has a reserve of 500 million barrels, which could be put on the market at any moment. As you can see, the developed countries learned their lesson from the oil crises of the seventies and eighties.

But all these factors, important as they are, are not decisive for our country. What is far more serious is that we are simply not in a position today to take advantage of the situation to strengthen our own positions in the market. Because it could soon happen that the USSR will find itself short of not only what you might call surplus oil, for export, but also oil essential for its own consumption. We are witnessing a process which only recently few people would have considered possible: In our state—the biggest oil producer—extraction is falling inexorably.

Let me remind you that in 1988, as now, we were extracting more oil than anyone in the world—12.4 million barrels a day. Of this, 4 million was exported, 2 million to nonsocialist countries.

But in 1989 production fell three percent, and oil exports from the USSR declined by nearly 17 million tonnes, while in the first quarter of this year there was a further four-percent decline. Oil deliveries to the West this year are expected to fall, compared with 1988, from 54 to 25 million tonnes. Even today exports to Eastern Europe have been cut, even in violation of earlier commitments. As for the long term, if present trends continue, in the nineties the USSR will be extracting only 560-580 million tonnes instead of this year's 607 million. Taking into account the growth in domestic energy demand, our country will be able to sell only 1.6 million barrels of liquid fuel a day.

I therefore think that the extra billion that we will receive if today's prices hold, even for another six months, will at best only compensate for the decline in oil extraction and will not go far toward replenishing our depleted coffers. Furthermore, the possible losses from the annexation of Kuwait should be taken into account. And they will be considerable, primarily in the sphere of the oil business.

In this connection I would like to remind you about the agreement between the USSR and Kuwait whereby that country pledged to subsidize the development of oil extraction in the regions where the new highly inaccessible Soviet deposits are located—Siberia and the Arctic oblasts. Furthermore, Kuwait was prepared to give our country other financial assistance, too. Now, of course, this agreement does not apply. As a result of economic sanctions the implementation of a whole string of major Soviet projects in Iraq will stop. And this too means straight losses.

True, an unexpected profit will accrue in the sphere of the gold trade. As you know, this is also one of our main and most expensive exports. The stock market panic, as always in "times of trouble," has led to a rise in the price of this metal. In a few days the value of a Troy ounce (approximately 31 grams) rose from $375 to $403-405. In view of the volume of our gold trade (200-300 tonnes a year), this surge in prices will bring the Soviet Union obvious, though still not excessive, gains. And today one can only regret that in the early summer of this year the USSR injected into gold exchange deals no less than 200 tonnes of the metal, which was sent to London and Zurich and sold in order to make overdue current payments. It was of course sold at the prices then current, which were considerably lower than today's.

In general it is still difficult today to analyze the full diversity of economic problems arising in connection with the Persian Gulf crisis. But I think the reader will realize from our brief review that this crisis in the Persian Gulf cannot be exploited by any country to extract any substantial commercial benefit.

Iraq's Withdrawal of Troops From Iran Examined

Motives Assessed

PM1708191190 Moscow PRAVDA in Russian 18 Aug 90 First Edition p 5

["Observer's Opinion" by Vladimir Belyakov under the general heading "Persian Gulf: Danger Point": "Sharp Turn"]

[Text] Iraqi troops have started withdrawing from the Iranian territory occupied by them during the bloody, eight-year-long conflict between the neighboring states. On the same day, Friday, the first group of soldiers taken prisoner by Iraq was handed over to the Iranian authorities.

Both the troop withdrawal and handover of prisoners are goodwill moves, as Baghdad describes them. They were taken two days after Iraq submitted proposals to Iran on a final settlement of the conflict. The key element of the proposals is Iraq's declared readiness to be governed by the Algiers agreement in resolving the disputed issue of the river Shatt al-'Arab.

I will remind you of the crux of the dispute. On 6 March 1975 Shah Mohammed Pahlavi of Iran and Saddam Husayn, then vice president of Iraq, signed an agreement in Algiers whereby the border between the two states on the river Shatt al-'Arab (which is formed after the confluence of the Tigris and the Euphrates) was established along its thalweg—the deepest section of the river bed. However, after the overthrow of the shah in 1979 Iraq began to seek revision of the Algiers agreement, and on 17 September 1980, a week after the start of armed conflict, unilaterally denounced it. "The Shatt al-'Arab must be Iraqi," stated Husayn, who was by then president. It was under this slogan that Iraqi soldiers fought the war, which cost both sides more than one million lives and many tens of billions of dollars. And it now turns out, fought for nothing.

Such a sharp change of position by Baghdad, as it appears, is not so difficult to explain. After the aggression against Kuwait and its annexation Iraq came under sharp criticism and economic boycott from virtually the whole world community. Its northern neighbor, Turkey, which is, incidentally, a member of NATO, shut off the oil pipelines along which Iraq's petroleum is exported. For many years Iraq's relations with its western neighbor—Syria—have been bad, to put it mildly: Syria has sent its troops into Saudi Arabia as part of the pan-Arab forces to repulse any possible Iraqi aggression. But most importantly, from the south, American troops are concentrating on Saudi soil. Baghdad has been resolute in its attitude to them. Tehran also opposes the deployment of U.S. Armed Forces in the region. All this has no doubt suggested a line of conduct to the Iraqi leadership: To secure its eastern borders by concessions to Iran in order to throw all its forces against the Americans if armed conflict breaks out with them and also possibly find a gap in the economic blockade.

Yes, it does not suit even the one-million-strong Iraqi army to fight on two fronts. But when you consider the extremely dangerous situation prevailing in the Persian Gulf you are bound to notice that there is a peaceful option. Fulfillment of the UN Security Council resolution on the restoration of Kuwait's independence would remove the grounds for the American military presence in the region. In the light of the change in Baghdad's position regarding the Algiers agreement I do not think that such a move on its part is impossible in principle. It would immediately relieve the situation and remove the threat of a new war whose victim if it did break out would first and foremost be the Iraqi people themselves.

Initiative 'Cannot Be Trusted'

NC1808075690 Moscow Radio Peace and Progress in Persian to Iran 1530 GMT 17 Aug 90

[Station commentary]

[Text] Black clouds of tension have obscured the Persian Gulf's political firmament because of the Iraqi aggression against and annexation of Kuwait. However, news has emanated from Baghdad on a peace initiative with Iran. In his message to the Iranian leadership, Saddam Husayn declared his official recognition of the Algiers accord of 1975 as the basis for resolving the dispute between the two countries. He has also announced that Iraqi troops have begun withdrawing from Iranian territories.

How should we view Baghdad's peace-seeking initiative? Perhaps this initiative is a ray of light through the dark clouds of tension. Perhaps this initiative will be the pivot for a tilt toward peace in the trend of events and will eventually mitigate the escalation of tension. There is no clear answer to all these questions in view of the conditions prevailing today. Since Kuwait is under Iraqi usurpation, Baghdad's peace-seeking initiatives cannot be trusted.

The stamp of opportunism is clearly manifest in the Iraqi regime's (?policies). Baghdad itself announced that the peace with Iran will release 30 Iraqi divisions which can be utilized in the event of a U.S. attack from Saudi soil. The most just way to eliminate the U.S. threat would be for Iraqi forces to withdraw from Kuwait. This would be a logical continuation of the peace-seeking initiative with regard to Iran. Otherwise, Baghdad's Iranian initiative will be interpreted as a means of (?consolidating) its aggressive policies.

Of course, it is incorrect to see only this aspect in the Iraqi initiative. It will suffice to recall the cost of ending the eight-year Iran-Iraq war for the direct participants as well as for the regional countries. In the conflagration of war, more than one million Iranians and Iraqis were killed and maimed. Both sides sustained massive material losses.

TASS Reports on Hijacking of Plane to Karachi

Convicts Overrun Guards

LD2008103390 Moscow TASS in English 1020 GMT 20 Aug 90

[Text] Moscow August 20 TASS—Soviet convicts in transit in northeast Russia hijacked a Tupolev-154 airliner on Sunday morning and forced it to fly out of the country. The plane eventually landed in Karachi, Pakistan. Civil aviation officials told TASS the plane was originally en route from Neryungri to Yakutsk.

Deputy Interior Minister Ivan Shilov told TASS the plane was carrying seven crew members and 85 passengers, including 15 prisoners escorted by three armed guards.

The pilot reported to ground control soon after take-off that the guards had been overpoweed by criminals who seized two submachine-guns, 120 cartridges, and a handgun with two loaded ammunition clips.

In line with the hijackers' demands, the plane returned to Neryungri where 41 passengers—women and children—were released after negotiations and six hijackers surrended to authorities.

The hijackers then demanded to fly abroad. After a refueling stop in Krasnoyarsk, Siberia, the plane arrived at Tashkent, Uzbekistan, at 21:00 [1700 GMT 19 Aug]. The crew were then allowed to leave the plane for a rest.

Negotiations with the hijackers continued through the night, but all attempts to persuade them to set the hostages free failed.

At 07:25 [0325 GMT] time this morning, the airliner took off for New Delhi. Indian authorities permitted it to land and ordered anti-terrorist police squads and fire engines to the airport.

But the plane unexpectedly changed course and flew to Karachi. At first, it was refused permission land there and had to circle over the airport for a long time. Ultimately, however, the airliner received the go-ahead to land.

Shilov said an investigation will be conducted into how the convicts managed to commandeer the plane.

"An Interior Ministry commission led by Deputy Minister Vladimir Maksimov flew to Yakutsk. It seems that convict escorting regulations were broken," he said.

"Such a large group of prisoners should, ideally be transported separately, of course. But chronic shortages of flights even for ordinary passengers prevent us from using a special plane. But this certainly is no juxtification for what happened," Shilov said.

'Terrorists' Surrender

LD2008123490 Moscow TASS International Service in Russian 1145 GMT 20 Aug 90

[Report by TASS correspondent Vladislav Legantsov]

[Excerpts] Islamabad, 20 Aug—The terrorists who seized a Tu- 154 Aeroflot airplane and forced its crew to land in Karachi have given themselves up to the Pakistani authorities.

The airliner landed at Karachi Airport today at 1240 Moscow time [0840 GMT] with the permission of a so-called "Crisis Group" urgently set up by the Pakistani authorities. It gave permission to land after receiving a report from the airplane's pilots that the aircraft's fuel was running out. [passage omitted]

After talks, in which Soviet diplomatic representatives in Pakistan participated, the hijackers decided to give themselves up to the local authorities. Nothing has yet been reported about the conditions of the surrender. [passage omitted]

Plane's Return Expected

LD2008141290 Moscow TASS in English 1401 GMT 20 Aug 90

[Text] Tashkent August 20 TASS—The Soviet Tupolev-154 airliner hijacked by a group of convicts to Karachi, Pakistan, will return to the country within the next few hours, Uzbek civil aviation officials told TASS.

An Aeroflot spokesman said that the plane is being refuelled while the pilots are being issued essential documents for the flight home.

East Europe

Troop Withdrawal From GDR To Begin 25 Aug

LD1708162890 Moscow TASS in English 1518 GMT 17 Aug 90

[By correspondent Konstantin Savvinn]

[Text] Berlin August 17 TASS—The withdrawal of Soviet troops from Neuruppin, Potsdam District, will begin on August 25, Neuruppin Land Councillor Ernst Bahr told the ADN News Agency today.

He said tank units would be the first to leave. The withdrawal of all Soviet troops from the town will be completed by next spring, Bahr said.

Budapest Group Gives Gorbachev Humanist Award

LD1708194790 Moscow TASS in English 1747 GMT 17 Aug 90

[Text] Budapest August 17 TASS—A ceremony to pass over a diploma conferring the honorary title of Humanist of the Century and the Albert Schweitzer

Medal on President Mikhail Gorbachev was held at the Soviet Embassy in Hungary today.

Speaking at the ceremony, L. Tarnoi, executive president of the International Association of Humanists, stressed that the decision to make the award was taken at a meeting of the board of directors of the International Association of Humanists early in August. The award was in recognition of Gorbachev's personal contribution to the consolidation of peace, the bringing of nations closer together and the development of cooperation between countries of various continents.

Bulgaria's Zhelev Acknowledges Debt to Gorbachev

PM1708123490 Moscow MOSCOW NEWS in English No 32, 19-26 Aug p 1

[Report on interview with Bulgarian President Zhelyo Zhelev by Ventsel Raichev; place and date not given: "The Opposition As Democracy's Guarantor. Bulgaria's New President Talks"]

[Text] Unlike other countries in Eastern Europe where elections literally swept away the communist parties, Bulgaria's ruling Socialist Party has retained its power. And with a parliamentary majority and in defiance of all logic of political struggle, the BSP supported Zhelyo Zhelev, D.Sc. (Philosophy), leader of the opposition Union of Democratic Forces, for President. Thus the Socialist Party reaffirmed its readiness to place national interests above its own, and its renunciation of the monopoly on power.

What does the president think about it?

He told me that he appreciated the BSP's constructive stand. He is convinced that honest efforts are required from all to find a way out of the crisis, that the country needs a strong government enjoying the trust and support of all the political forces represented in parliament. He stressed the need for a sufficiently strong opposition. "The opposition is a guarantor of democratic development in any country," he said.

As for how the President views the political processes under way in the Soviet Union and the future of Bulgarian-Soviet relations, Zhelev said he felt profound sympathy for perestroika: "After all, the democratic movement in Bulgaria and the transition of our country and all the other countries of Eastern Europe from totalitarianism to democracy are largely the direct result of Gorbachev's new political thinking. Perestroyka has given us all a chance for bloodless transition from totalitarianism to democracy."

The president dismissed the rumours that he advocates even a partial departure from Bulgaria's policy of cooperation with the Soviet Union. It goes without saying he says, that from now on these relations will be built on the basis of mutual interests and the principles of equality and sovereignty. Zhelev added that this policy is conditioned not only by Bulgaria's political, economic, social and cultural interests, but also by the traditional feelings of kinship and affinity between the Bulgarian people and the Russian, Ukrainian, Belorussian and other Soviet peoples.

President Zhelev asked me to convey his gratitude to MOSCOW NEWS for its enduring support for the fighters of glasnost and perestroika in Bulgaria during the last years and months of the Zhikov dictatorship.

Presidential Campaign 'Under Way' in Poland

PM1808140290 Moscow SOVETSKAYA ROSSIYA in Russian 11 Aug 90 Second Edition p 5

[Report by A. Pershin: "This Is No Time To Square Accounts. Election Campaign Unfolds in Poland"]

[Text] In Poland's political life, emotions have become noticeably heated about the subject of the post of president, for which two leading wings of "Solidarity" have nominated their candidates—L. Walesa, the leader of the trade union center, and T. Mazowiecki, the head of the present cabinet, TASS' correspondent in Poland reports.

The main turning point in the political squabbles concerning the key post in state structures was the statement made by L. Walesa on Thursday. In it he advocated holding early parliamentary and presidential elections, which should be democratic and genuinely free, and held with the participation of all political groupings.

L. Walesa stated that Poland needs a president with a broad sphere of competence who should be elected at a general election. The country needs a head of state who, together with the parliament, will be able to raise social activeness, and at times when internal political disagreements prevent coordinated decisions from being taken quickly, to find the courage to use his powers. The "Solidarity" leader drew attention to the fact that the unfolding election campaign is already marked by the sharpness of utterances made by individual parties and politicians. It is time to end the phase of personal attacks. The essence of the matter is not individuals, but programs to bring Poland nearer to democracy.

L. Walesa's statement caused a widespread stir. Appearing on television, A. Labuda, a representative of the "democratic action" civic movement, which supports T. Mazowiecki's nomination for the post of president, gave a positive assessment of L. Walesa's words, seeing them as an indication of the abandonment of the policy of accelerating reforms and making them more radical.

At the same time, in an interview with journalists, Senator J. Kaczynski, leader of the Central Alliance, which is nominating L. Walesa to the post of president, rejected this interpretation of L. Walesa's statement, stressing that the "Solidarity" leader remains a resolute supporter of "acceleration."

L. Miller, general secretary of the SDRP [Social Democracy of the Polish Republic] Central Executive Committee, gave a positive evaluation of the orientation of L. Walesa's statement. In a television interview, he said that the main idea of the document creates preconditions for putting an end to the harmful and frequently savage political struggle which has recently started to take a dangerous turn. Furthermore, the proposal on electing a president not at the National Assembly but in a general election presupposes a different calendar for the election campaign and political life than the one that they were trying to impose on the country only a few days ago, despite the obvious lack of reasons for the so-called "acceleration."

The fact that a presidential election campaign is already under way in Poland was confirmed by W. Lozinski, press spokesman for the current head of the Polish state, in an interview with RZECZPOSPOLITA. For the time being, he said, opinions expressed on this question are of propagandist rather than constitutional-legal significance. The parliamentary debates during which the president's sphere of rights and duties will be determined have not yet begun. The discussion is to begin in September. The head of state cannot express himself on the subject of possible candidates at the presidential elections, nor can he change his position under the influence of various propagandist speeches, W. Lozinski pointed out.

West Europe

Shevardnadze-Genscher 17 Aug Talks Viewed

Discuss German Unity, Ties

LD1808141990 Moscow Television Service in Russian 1700 GMT 17 Aug 90

[From the "Vremya" newscast]

[Text] The latest working meeting between Eduard Amvrosiyevich Shevardnadze and FRG Foreign Minister Hans-Dietrich Genscher took place today in Moscow. They continued an intensive discussion of the whole complex of issues connected with the external aspects of achieving German unity, and also the creation of conditions for the development of broad cooperation between the USSR and the future united Germany. The sides advocated the further intensification of preparations for the Paris conference of CSCE participant states, and also the prompt start of practical work on coordinating a joint declaration by Warsaw Pact and NATO member countries within the framework of the Vienna Group of 23.

Prepare for Future Talks

LD1708164190 Moscow TASS in English 1617 GMT 17 Aug 90

[By TASS correspondents]

[Text] Moscow August 17 TASS—West German Foreign Minister Hans-Dietrich Genscher has described his talks with his Soviet counterpart, Eduard Shevardnadze, as "friendly, resultative and constructive". He spoke here today at a joint news conference held together with Shevardnadze.

The discussion focused on the preparation of a meeting to be held in Moscow on September 12 within the "two-plus-four" framework and on relations between a reunified Germany and the Soviet Union, Genscher said.

He favoured the conclusion of the so-called Grand Treaty with the Soviet Union to determine long-term relationships between the two countries.

He voiced conviction that relations between the Soviet Union and a reunified Germany "will be larger in scope than the Soviet Union's current relations with East and West Germany". Provision was also made for the conclusion of an agreement on economic and other types of cooperation with the USSR, he said.

Genscher pointed to the need to conclude treaties concerning the stay of "Soviet troops on what is now East German territory for a period of three to four years and their withdrawal.

"Such talks are now being conducted between the two countries' foreign ministries. It is essential to settle issues concerning the stay of Soviet troops in Berlin and the stay of French", U.S. and British troops in West Berlin, he sid.

Genscher told journalists that he had informed Shevardnadze that the East and West German foreign ministers would make statements before September 12, 1990, on the maximum numerical strength of the Armed Forces of a reunified Germany. That would be important, especially if it was accompanied by a statement on the renunciation of nuclear, biological and chemical weapons, he said.

During the talks in Moscow, there was a discussion of developments in the Gulf, Genscher said. The two foreign ministers stated that growing tension there had been brought about by the continued occupation of Kuwait by Iraq.

"We expect that United Nations Security Council resolutions concerning Iraq will be consistently implemented by all U.N. member-nations," Genscher said.

Hold News Conference

PM1808192290 Moscow IZVESTIYA in Russian 19 Aug 90 Morning Edition p 4

[Unattributed report: "E.A. Shevardnadze and H.D. Genscher News Conference"]

[Text] A news conference on the results of the latest Moscow talks between the leaders of the USSR and FRG

foreign policy departments was held 17 August. The assembled journalists were addressed by E.A. Shevardnadze and H.D. Genscher.

Mr. Genscher and I, E.A. Shevardnadze said, decided to meet with you immediately after we finished our talks.

The main problem that we discussed today is the same one as is to be found on the agenda of the "two-plus-four"—or, as we say, "six" framework—talks. This is the problem of the external aspects of the unification of Germany or, rather, of a definitive international legal settlement of the external aspects of German unity.

These questions were discussed in detail recently at the USSR president's talks with the FRG federal chancellor. Accords were worked out between them on the fundamental questions requiring decisions at precisely the highest level. Mr. Genscher and I participated in those conversations, those talks.

At ministerial level too we are conducting intensive talks. We meet almost twice a month. This is our 11th meeting.

I can express satisfaction at the way the work is going on preparing a document of the "six" on a definitive settlement of the external aspects of German unity. Basically the document is essentially ready. Ready as a result of the joint efforts of all the members of the "six." In this respect we are not operating behind the backs of our partners in the "two-plus-four" mechanism. We have constant consultations, constant meetings and talks with them.

We are now approaching the decisive stage. As is known, the next meeting of the "six" will be held in Moscow on 12 September, and I believe that it will be the final meeting. It may be possible to initial the text of an agreed political document. And maybe officially sign it, too.

Today we have discussed the entire package of accords related with this, all the component parts and elements of such a final document, and I must say that we have made substantial progress. I don't want to say that all the problems have been solved. No, problems still remain, but we are hoping for fruitful work from our advisers and experts, who have hitherto had very useful meetings and useful conversations and are a big help to us.

The next meeting of experts within the framework of the "six" is scheduled for 3 September, and we believe that the outstanding questions will be agreed at that meeting.

In addition to this basic work we discussed in fundamental terms the avenues of Soviet-German relations that were discussed in Stavropol. I am referring mainly to the Soviet Union's bilateral relations with a united Germany. Let me say straight away that we don't have any ready-prepared agreements and it will be impossible to sign any agreements prior to Germany's unification, but we are preparing them and are also exchanging views on the future of relations between a united Germany and the Soviet Union.

We proceed from the premise that after unification it will be necessary to sign a major treaty or, as we say at a working level, a "big treaty" between the Soviet Union and Germany. We have an idea and an understanding of what it should incorporate, what its main elements should be. A very interesting prospect is emerging. The new treaty, based on the great positive experience of our cooperation in recent decades, will undoubtedly be mutually advantageous and also beneficial for our peoples, for Europe, and for the entire world.

In addition to the outlines and content of this "big treaty" we also discussed today the concept of yet another important treaty on cooperation in the economy, trade, the scientific, technical, and cultural fields, and the sphere of exchanges.

Our conversations also touched on questions relating to an agreement on the conditions—material, financial, and other—governing the presence of our troops in Germany.

On the whole we regard today's talks with Mr. Genscher as fruitful and useful. It can be said without exaggeration that we have made significant progress. I am confident that our colleagues under the "two-plus-four" mechanism will welcome the work we have done today.

Naturally, when foreign ministers meet they cannot avoid the urgent problems of the moment. On this occasion the crisis in the Persian Gulf is such a problem.

We exchanged the information which we possess and discussed the situation that has developed in the Near East. It is very serious and complex. We are agreed that all states, including the Soviet Union and the FRG, must take all measures to ensure that resolutions adopted by the Security Council are implemented in full. This is a difficult task. We are ready to cooperate closely in this matter.

As for our countries' positions, I believe that in principle we do not differ; we advocate vigorous collective actions in this region and the speediest establishment of peace there. We actively support the Security Council's actions.

It is well known that two years or so ago we advanced the idea of making use of the potential of the Military Staff Committee under the UN Security Council. This question is now being actively discussed among the permanent members of the Council. If it proves possible to activate this committee, whose potential is very great, it seems to me that there would be a change in the weight and influence exerted by Security Council resolutions.

In addition to all this Mr. Genscher and I mapped out a timetable for future meetings between us and also for contacts between the leaders of other departments and foreign ministry representatives.

And finally, the talks took place in a good atmosphere, in a spirit of constructiveness and good mutual understanding—this is precisely the way we have been working

recently. The good and businesslike relations that have developed between myself and Mr. Genscher are of some significance here.

H.D. Genscher then spoke: Our conversations centered on the next and, we hope, the last meeting within the framework of the "two-plus-four" mechanism, which will take place here in Moscow on 12 September, and also questions concerning the development of a united Germany's relations with the Soviet Union. Our joint objective is to reach agreement within the framework of the "two-plus-four" mechanism on 12 September and initial a document on a definitive settlement. The place and time of the signing of the document will be determined by all the members of the "six." At the same time we will adopt a decision on the status of the four powers' rights in the interim between the signing and coming into force of the settlement agreement. The document will be signed by the two German states and will be ratified by what will then be the parliament of a united Germany.

We have an interest in ensuring that ratification takes place in the five states as speedily as possible. Simultaneously with stating our intention to complete the settlement process on 12 September, we would like to stress that the current process of German unification, which has assumed a new dynamism, is no obstacle to the discussion and resolution of the external aspects of German unity.

During the second part of our conversations we concerned ourselves with future treaties between Germany and the Soviet Union which we intend to conclude.

Here we proceed from the premise that in the future a united Germany's relations with the Soviet Union will be greater than the sum of the GDR's relations with the Soviet Union and the FRG's relations with the Soviet Union. We intend to conclude a so-called "big treaty." It will be long-term and will determine the interrelationship between our two countries for many years to come. We proceed from the premise that the basic elements of this "big treaty" will be agreed before 12 September. They will then be recorded in a letter from the federal chancellor to President M.S. Gorbachev.

Second, the conclusion of a wide-ranging agreement on economic cooperation and other forms of reciprocal action is envisaged. On our side the talks on this matter will be conducted by FRG Economics Minister Haussmann. They will begin this very month. In addition, it is also necessary to conclude two other treaties relating to the presence of Soviet troops on the territory of what is now the GDR for three to four years. These are, first, a treaty on the presence and withdrawal of Soviet troops. Talks on this will be conducted between the two states' finance ministers. They will discuss problems linked with the temporary presence of Soviet troops in Germany. Federal Minister of Finance Waigel will meet with his Soviet partner on 24 August. In addition it is necessary to settle questions on the presence of Soviet troops in Berlin. This must be done taking into account the retention of French, American, and British troops in West Berlin.

Here in Moscow we also discussed questions relating to the development of the CSCE process. We did this not only because we are both parties to this process but also because our previous conversations in Brest and Muenster yielded important results for the development of this process and for relations between the two alliances. I informed the Soviet foreign minister that by 12 September 1990 the FRG and the GDR will make binding political statements on the maximum future strength of the forces of a united Germany at the conference on reducing conventional forces in Europe. These statements will be noted and recorded by the "six." This also applies to a statement on Germany's repudiation of nuclear, biological, and chemical weapons.

We also exchanged opinions on the development of events in the Persian Gulf region, where Iraq's continuing occupation of Kuwait is causing growing tension. We expect the Security Council decisions with regard to Iraq to be implemented consistently by all parties, all members of the community of peoples. We regard as positive the strengthening of East-West relations as a result of which such unanimous decisions were possible in the Security Council. This shows that our work to create a new East-West relationship is not only good for Europe, but that this new relationship is also a contribution to boosting the effectiveness of the United Nations. This is a very important result and is suitably appreciated throughout the world.

The new East-West relationship is of great significance for the community of peoples, and I hope that these peace dividends will pay off in the interests of the peoples of the third world.

I echo the words of my Soviet colleague about the substance and spirit of our conversations. They were good, friendly, and constructive conversations which took us forward and which give us the opportunity today to express the conviction that on 12 September we will be able to complete these "two-plus-four" talks here in Moscow.

The ministers then answered journalists' questions.

Special correspondent from the FRG: You said that the concluding document of the "two-plus-four" process cannot resolve all the problems by 12 September. Could you tell us what problems still have to be overcome?

E.A. Shevardnadze: I do not think there is any need today to go into detail about the questions and problems on which mutual understanding has been reached or those on which there is no such mutual understanding and further work is required. I have told you the most important thing: In the main the provisions of the future document are agreed. I mean not only between us and the FRG, but within the framework of the "two-plus-four" mechanism. And this gives Mr. Genscher and

myself reason to state so confidently today that we can complete this complex work on 12 September.

Correspondent from WDR radio, FRG: You spoke of the importance of a collective approach to the settlement of the Persian Gulf conflict. Are you happy with how the United States is acting in the Persian Gulf?

E.A. Shevardnadze: We are maintaining constant dialogue with the United States. Recently Mr. Baker and I have been talking by telephone almost daily. I must say that the U.S. secretary of state and president are in favor of collective actions. They have come out in favor of bringing into play the potential of the Military Staff Committee. I think this is a very important statement, a very important point. A similar proposal of ours, made at the time of the Iran-Iraq war, was rejected. Now the United States has a different attitude to this idea, and that is encouraging.

Correspondent from GENERAL-ANZEIGER, FRG: A question for both ministers. Did you talk about an agreement on the stationing and withdrawal of troops? Where do you see the problems in this sphere?

E.A. Shevardnadze: Yes, we talked about that a lot, both here and in the North Caucasus. We defined our positions on the main problems. This relates to timing and certain other questions.

In general the problem of the presence of Soviet troops in Germany will be the subject of further special discussions, special talks.

H.D. Genscher: I can add that there are no substantial problems on the question of the stationing and withdrawal of troops. It is a question of carrying out our intentions. Today we discussed the procedure for implementing measures in the transitional period. And we will try to ensure that the Soviet soldiers who leave the GDR go away with good and friendly feelings.

USSR Central Television correspondent: A question for the FRG foreign minister. You spoke about the linking of the "two-plus-four" talks and all-European security. Does this include the implementation of your proposal and your colleagues' proposal on setting up a conflict prevention center which could be sited in Berlin?

H.D. Genscher: We believe that the Paris summit in November will open a new phase in the CSCE process. Now that the ideological contradictions have been overcome, it is a question of creating one Europe and creating all-European structures. What structures—regular meetings of heads of state and government, regular meetings of foreign ministers. There would also be a small secretariat and, it is our common conviction, a center for preventing and resolving conflicts. This is in accordance with the new situation in Europe and the new relationship between the Final Act signatory states.

E.A. Shevardnadze: The problems of a center for preventing conflict situations were dealt with by a specialized group at our talks. They are our major specialists on disarmament problems; the delegation working party was headed by Mr. Holik and Deputy Minister V.P. Karpov. We have just heard a briefing from them. As for the Vienna talks and the center for preventing conflicts, I must observe that our views either coincide or are very close, so the prospects are good.

Correspondent from the OSTWIRTSCHAFT news bulletin, FRG: A question for both foreign ministers. Will the Soviet republics which are increasingly calling into question the competence of the USSR Government in the economic sphere take part in talks on economic questions? And could you explain to us specifically which economic topics were at the center of attention at the talks held?

E.A. Shevardnadze: Virtually no restrictions exist regarding the participation of Soviet republics, especially when the Soviet economy goes over to market principles. This gives any republic, whether union or autonomous, or administrative formation the opportunity to participate actively in economic cooperation with foreign countries, including a united Germany. The central government, the central authorities will only encourage this.

What other economic questions were discussed? I think the list of agreements we are now working on provides a picture of the multiplicity of forms and spheres of our cooperation.

H.D. Genscher: Let me add: Cooperation will be truly broad, it covers all spheres of the economy, technology, ecology, training and retraining, that is, the new treaty will make it clear that the two national economies increasingly want rapprochement in the sense of profound, all-embracing cooperation.

Correspondent from CNN Television, United States: A question for USSR Foreign Minister E.A. Shevardnadze. In your talks with Secretary of State Baker and in your contacts with the United States on the subject of the Persian Gulf crisis, has indignation been expressed over the presence of American troops in Saudi Arabia? How does the Soviet side regard the presence of American troops in Saudi Arabia? You stated that external, foreign troops constitute an escalation of tension. Did you express direct indignation, and why has the Soviet Union not sent troops to the region?

E.A. Shevardnadze: I do not know whether the translation is accurate. We did not speak of indignation [negodovaniye]. We said what we deemed it necessary to say. We are working on the assumption that the stationing of American forces in Saudi Arabia is temporary. In principle we believe that in such situations the main protagonist should be the Security Council. It should act energetically and resolutely.

Correspondent for DEUTSCHLANDFUNK radio, FRG: Can you imagine a situation where the GDR would not be represented at all at the 12 September talks in Moscow? Could that happen, and is it conceivable that the "two-plus-four" agreement could be signed, for

historical or other reasons, by the heads of government or heads of state? And another question about the treaty on the stationing of troops. The FRG has corresponding treaties with its Western allies. Could this practice provide a model for the Soviet Union?

H.D. Genscher: As for the treaties on the stationing of troops that the FRG has with its allies, they will have to be amended in accordance with the changed situation after the unification of Germany. These treaties cannot provide a model for a treaty with the Soviet Union. Soviet troops will be stationed on the territory of a Germany which is part of the Western alliance. The treaty on the stationing of troops that we will have to sign with the Soviet Union has to reflect this reality and this peculiarity. Now about the existence of the GDR. I must remind you that a few weeks ago the Volkskammer adopted a decision saying that unification should take place in the period from 15 September through 14 October, and moreover statements made by the GDR Government allow us to suppose that this unification will be completed by 13-14 October, but in any case it is quite obvious that unification will not take place earlier than 15 September. And that means that both German states will be represented in Moscow on 12 September.

Correspondent for NOVOYE VREMYA magazine, USSR: A question for both ministers. What will happen later about the ratification of the agreement of the "six" if German unification has effectively taken place?

And second, is a dismemberment of that agreement possible to some extent through, say, individual statements on the cessation of the responsibility of the four powers even before the document of the "six" is ratified?

H.D. Genscher: Accuracy is needed here. The treaty will be signed by the two German governments, this document will be ratified by the parliament of a united Germany—that is clear. From the moment of deposition of the fifth and last instrument of ratification, the document comes into force, and simultaneously the rights and responsibility of the four powers lose their force. Everyone is agreed on that.

The question that should be asked is, what will happen in the period between signing and entry into force? Here it would be possible to imagine a situation where for that period the rights of the four powers will be suspended, that is, they will not be abolished, but will be suspended. All this will be decided at the meeting of the six ministers in Moscow.

E.A. Shevardnadze: I think the process of ratification in the USSR Supreme Soviet will take place in the usual way. But provided that we are able, within the framework of the "six" and at a bilateral level, to draft high-quality documents, documents that meet all contemporary standards and are in accordance with our country's interests, I think the ratification process will not be very long-drawn-out on our side. I therefore consider it possible that no interim solutions will be needed anyway.

Special correspondent from the FRG: I would like to subscribe to what you have said, and to ask whether that means, Mr. Genscher, that there is a desire on the part of the FRG Government, with the attainment of German unity, with the unification of the GDR and the FRG, to achieve sovereignty over the whole of Germany's territory? Will this take place from the moment of the exchange of instruments of ratification?

H.D. Genscher: The FRG Government has always held the view that the FRG Government should not deal in open questions. At the moment of the conclusion of the document, the attainment of consensus, there will no longer be any open questions. We have never left any doubt that full sovereignty can be achieved only from the moment of the entry into force of the concluding document of the "six." That is logical and clear, if we are talking about agreements that require ratification. In this sense there is no transitional period, and no questions that will have to be answered after unification. Ultimately the thing is for the ratification procedure to take place quickly in the five participating countries, as we hope it will. I must remind you that the German Bundestag has always stressed that a united Germany should not leave any questions open. I think this aim will be fully achieved on the completion of the "two-plus-four" talks, with the signing of the corresponding document.

Full sovereignty comes simultaneously with the completion of the ratification process in all five countries. You can only suspend something that exists. Let me stress again: Full sovereignty comes with the moment of ratification.

Correspondent from AL-ITTIHAD, United Arab Emirates: A question for Mr. Shevardnadze: Does the Soviet Union intend to close its embassy in Kuwait?

E.A. Shevardnadze: It is still hard for me to say how events will develop. We would not wish to take that step. Our assessments of the Iraqi aggression are known to you. We have diplomatic relations with Kuwait, we have an embassy there, we are now conducting talks with Iraqi representatives, and the result of our efforts will become known in the next few days.

Talks End, Genscher Departs

LD1708153290 Moscow TASS in English 1337 GMT 17 Aug 90

[By TASS correspondents Boris Zverev, Sergey Ryabikin, and Georgy Shmelev]

[Text] Moscow August 17 TASS—Soviet and West German Foreign Ministers Eduard Shevardnadze and Hans-Dietrich Genscher ended talks here today. Genscher arrived in Moscow on a brief working visit last night.

One of the more important issues taken up during the very intense discussion was the fulfilment of basic accords on external aspects of German reunification, which were reached during a meeting between Soviet

President Mikhail Gorbachev and West German Chancellor Helmut Kohl last July.

Answering questions from a TASS diplomatic correspondent before today's talks, Shevardnadze said that "German reunification has proceeded more rapidly than expected" and stressed the need "to expedite agreement on the external aspects of German reunification".

Genscher, for his part, said his country will do everything to ensure that the "two-plus-four" meeting takes place in Moscow on Septem (?September) [words indistinct] and agreements between the Soviet Union and United Germany, which should elevate Soviet-German relations to a new level of cooperative partnership in political, economic, scientific, technological and cultural fields.

Shevardnadze and Genscher paid special attention to the situation in the Gulf as a result of the Iraq-Kuwait conflict.

Speaking in a TASS interview, Shevardnadze expressed serious concern about the difficulty of predicting how the Gulf situation will develop and the impossibility of guaranteeing that there will not be an explosion there.

Stressing the importance of action "in various directions" there, he said Arab countries could do a lot toward a settlement "if they act in unity".

Shevardnadze stressed collective efforts, most notably those through the U.N. Security Council, as an important condition for settling the Iraqi-Kuwaiti conflict.

Foreign Ministers' Assessments of Talks Noted

Genscher Forsees New Treaties

LD1708150390 East Berlin ADN International Service in German 1329 GMT 17 Aug 90

[Text] Moscow (ADN)—According to Federal Foreign Minister Hans-Dietrich Genscher, preparations for the next two-plus-four talks in Moscow on 12 September, and relations between a united Germany and the Soviet Union were the focal point of talks with his Soviet counterpart. Genscher told the international press in Moscow this afternoon at the end of the talks with his Soviet counterpart that it is the common aim of both sides to prepare a concluding document within the framework of the two-plus-four talks in such a way that agreement may be reached between all sides on 12 September.

Today's declaration of intent to bring things to a conclusion on 12 September is also intended to express the fact that the process of German unification, which has been given new dynamism, will not be hindered by consultations on the external aspects of German unification. Genscher said that the second part of the talks dealt with the treaties to be concluded between a united Germany and the Soviet Union. These relations will be more than the mere sum of relations between the GDR and the USSR, and between the Federal Republic and the Soviet Union.

Genscher reaffirmed the intention of concluding a "major treaty" that should provide a long-term and comprehensive definition of German-Soviet relations. The signing of a comprehensive economic agreement also lay ahead, treaties on the stationing and withdrawal of Soviet troops from the GDR are to be signed, and a settlement with regard to the presence of Soviet forces in Berlin will be reached.

Genscher said that in a further part of the talks, which dealt with the continuation of the CSCE process, he informed his Soviet counterpart that he and GDR Foreign Minister Markus Meckel would make binding statements in Vienna at the conference on conventional disarmament in Europe before 12 September on the upper limits of the Armed Forces of a united Germany. Statements on the renunciation of atomic, biological, and chemical weapons are also to be expected at another location.

With regard to the worsening situation in the Persian Gulf, Genscher, like Shevardnadze, expressed the hope that the decisions which the UN Security Council have taken in connection with Iraq would be strictly implemented by the international community.

Shevardnadze Sees 'Quicker' Unity

LD1708172790 East Berlin ADN International Service in German 1619 GMT 17 Aug 90

[Excerpts] Moscow (ADN)—Success could be seen on the faces of Foreign Ministers Eduard Shevardnadze and Hans-Dietrich Genscher when they faced the international press this afternoon in Moscow, 30 minutes later than expected, after two intensive rounds of negotiations. [passage omitted]

Genscher made it clear once again that the final document will be signed by the two German Governments and ratified by the parliament of the unified Germany. The document will come into force when the last of the five ratification deeds required has been deposited, and with this the rights and responsibilities of the four powers will no longer be in force. The question of what should happen in the period between the signing and the coming into force still has to be answered. Here one could imagine that the four powers will unilaterally suspend their rights for this period, Genscher said. Shevardnadze even considered a quicker process possible. The ratification process will take place in the usual way in the USSR Supreme Soviet. If the two-plus-four round succeeds in preparing high-quality documents that are in accordance with the interests of the USSR then the result of the ratification process will be very positive. In his opinion interim solutions will then be unnecesary. [passage omitted]

Commentaries Assess Shevardnadze-Genscher Talks

Quality of Relations Examined

LD1708152990 Moscow Domestic Service in Russian 1330 GMT 17 Aug 90

[Text] Talks took place in Moscow today between Shevardnadze and Genscher, the foreign ministers of the USSR and the FRG. The concluding news conference ended less than an hour ago. I shall ask Viktor Levin, our diplomatic correspondent, to tell us about it. Go ahead:

[Levin] Opening the news conference, Eduard Amvrosiyevich Shevardnadze said that it does not happen very often that he appears at the USSR Foreign Ministry's Press Center with his foreign opposite numbers, but the fact that Eduard Amvrosiyevich came today with Hans-Dietrich Genscher shows both the level of our relations and the quality of relations between the two ministers. From what Shevardnadze and Genscher told the journalists who were assembled there, one really does obtain a fairly clear impression that a very great deal of fruitful work was done today.

Naturally, the first question was a problem connected with the unification of Germany, specifically with resolving the external aspects of German unity. Here, admittedly, I want to mention straight away a qualification that was expressed repeatedly by both our minister and the FRG foreign minister. The fact that these problems are being discussed so intensively and actively by the foreign ministers of the Soviet Union and the FRG in no way means that the other participants in the two-plus-four process are being left out. They are not, for negotiations are going on in parallel at all levels; but there are a whole series of problems which have to be tackled primarily at this specific level—the Shevardnadze-Genscher level—and they are being tackled.

What can I say? What conclusions can be drawn from today's talks? The ministers spoke evasively, as is the custom with diplomats, saying perhaps, and we hope, but I obtained the clear impression that the final documents will be ready on 12 September, when the next two-plus-four meeting assembles. They will perhaps be ratified and signed there. Incidentally, this question came up later during an exchange of views between journalists and the ministers: How will it happen, technically? After all, isn't the process of the unification of the two German states proceeding at such a pace that even the signing of that document might be done by just one minister on the German side? By the way, the question was put by one of our West German colleagues, but Genscher reminded him that the GDR People's Chamber adopted a decision to complete the unification process in the interval between 15 September and 14 October. Consequently, 12 September in no way falls between those dates, and the final document will be signed or ratified in Moscow by two ministers. And it will be ratified by the all-German Parliament, which will be elected on 2 December.

[Announcer] In a different political, economic, and social atmosphere.

[Levin] Well, you know, as far as the domestic problems of German unification are concerned, especially social and economic problems, practice—or rather the development of events in the GDR—shows that there are problems enough there, but in the political aspect of course, this will be quite a different situation. However, I think that this treaty—those agreements which will be worked out—this document, which is what it is being called, it hasn't, as far as I am aware, yet been given its final name—it will be carried through in that same atmosphere. Extremely intensive work is going on here; for example the next meeting of experts within the framework of this two-plus-four formula of talks is due to be held on 3 September [as heard]. As regards specifics, Eduard Amvrosiyevich named three problems which were given the most intensive discussion today. An exchange of opinions took place on how the sides see Soviet-German relations—I emphasize Soviet-German—in the near future when there will be a single state, and on both sides—Shevardnadze and Genscher both spoke about this—the fact that there is a desire to build these relations on the basis of that positive experience which has been achieved in both USSR-GDR and USSR-FRG relations is worthy of note.

The second problem, or second question, which was discussed today is the concept of a treaty on cooperation in the economy, trade, science, and cultural exchange, and so. And the third is an agreement on the conditions for the presence of our troops—the material and financial problems connected with the presence, and the withdrawal of Soviet troops, the Western Group of troops, from the German Democratic Republic. I will recall that an accord was reached in the northern Caucasus that our troops will remain three to four years after the unification of Gemany, and all the, so to speak, technical-material problems connected with this should be solved.

[Announcer] There has been no change in this position so far, so that they will remain three to four years.

[Levin] I think so, yes. On this question everything remains as it was, and I would just point out one thing that Genscher said—I consider it to be very important. The foreign ministers of the two German states intend in the very near future to make a binding statement on the limits of the strengths of the armed forces of a united Germany. In the northern Caucasus, an accord was reached in principle that the limit would be 370,000, but this, so to speak, accord is a verbal one. But the foreign ministers of the two German states will record this figure in the form of a document. That is how I understood Genscher.

Bilateral Relations Viewed

LD1708161190 Moscow Domestic Service in Russian 1343 GMT 17 Aug 90

[Text] [Announcer] Well, once again, the opportunity has arisen here to continue the talk on the visit, of the meeting in Moscow of the ministers of foreign affairs of the USSR and the FRG, Genscher and Shevardnadze. And once again in the studio is my colleague, Viktor Levin, who has come from their final news conference. Viktor Nikolayevich, I cannot believe ... [changes thought] of course, bilateral relations between the FRG and the Soviet Union is a very important theme, but probably the ministers dwelt on other problems, too. And of course, they probably spoke about the Near East. That question is of concern to everybody.

[Levin] Of course. Yes, you're quite right. They spoke of that and spoke very thoroughly and already the statement itself which Eduard Amvrosiyevich Shevardnadze delivered to journalists stated that a great deal of attention had been devoted to the Near East problem, or more precisely, to the explosive conflict situation in the Persian Gulf.

The Soviet minister said that our country, the Soviet Union, is very concerned about the development of events, and stressed that he, Shevardnadze, and Genscher are united that all states should adopt every measure in order to implement the resolutions of the Security Council, to implement them to the end.

Eduard Amvrosiyevich stressed that we are ready to interact in this respect and are in favor of active action in order to reestablish peace. In that respect, we also actively support the decision of the Security Council.

[Announcer] Essentially, it is a question of sanctions.

[Levin] Yes, it is a question of sanctions. It is a question... [changes thought] you understand, well, I would not pose the question of sanctions alone. After all, there are three resolutions of the Security Council, and the first provides for the withdrawal of Iraqi troops from the territory of...

[Announcer, interrupting] From Kuwait.

[Levin] Yes, from Kuwait and the restoration of Kuwait's full sovereignty. After all, the sanctions are a consequence of the annexation.

[Announcer] Well, that is obvious.

[Levin] Therefore, the essence of the problem lies in returning to the situation that existed before 1 August.

[Announcer] Before the aggression.

[Levin] Before the aggression, that's quite right. But taking account of the fact that the events are developing in a very alarming and tense way... incidentally, such a question was put to Eduard Amvrosiyevich Shevardnadze: What is your attitude to the stay of U.S. troops in Saudi Arabia? Eduard Amvrosiyevich said we regard that stay as temporary. At the same time, well, I drew attention to [the fact] that, he, our minister, said that we consider that if the military headquarters committee of the United Nations Organization is to be activated, then the validity of the decision of the Security Council would rise considerably. That is a very important factor.

FRG Foreign Minister Genscher also spoke of that. He stressed the fact that the unanimity of the East and the West in the UN Security Council is witness to the new relations which are crystallizing, forming, and practically have taken shape and which in this case, have a very great and positive significance and strengthen the United Nations Organization, too.

[Announcer] Unfortunately, our conversation has ended. The time in Moscow is 1746.

Agreements Expected

LD1908163590 Moscow TASS in English 1602 GMT 19 Aug 90

[By TASS political observer Albert Balebanov]

[Text] Moscow August 19 TASS—The recent Moscow talks between Soviet Foreign Minister Eduard Shevardnadze and his West German counterpart Hans-Dietrich Genscher have made it possible to make a considerable step towards the unification of East and West Germany.

The two ministers said the two-plus-four talks, scheduled to be held in Moscow on September 12, will finalise the settlement of external aspects of German unification.

This confidence rests on the Shevardnadze-Genscher accord on a final document, to be adopted by the six nations. The accord on major aspects of the document adds to the consensus already reached by the other partners in the negotiations.

Practically, this accord means that on September 12 the six nations will be able to initial a document on the final settlement of German unification.

This would pave the way for the signing of an agreement by the governments of West and East Germany and its ratification by the negotiating partners.

On the German part, the agreement will be ratified by the parliament of a united Germany. From the moment the fifth, last instrument of ratification is handed over, the agreement will come into force.

Simultaneously, the rights and responsibilities of the four World War II allies will become null and void, and the united Germany will become fully sovereign.

The Shevardnadze-Genscher talks have shown that the spirit of the meeting between Soviet President Mikhail Gorbachev and West German Chancellor Helmut Kohl in Stavropol, South Russia, and the solutions reached by them have begun to bear fruit.

The understanding reached by Shevardnadze and Genscher on future relations between the Soviet Union and a united Germany is one more proof of this.

A planned major Soviet-German treaty, the outlines of which are becoming more and more clear, will not only be advantageous to both sides, but will also be useful for Europe and the whole world.

Moscow and Bonn are determined to base their treaty, which will determine Soviet-German relations for years ahead, on the broad positive experience of cooperation between the Soviet Union and the two Germanys.

Shevardnadze and Genscher believe that the future Soviet-German relations should not just be larger in scope than the Soviet Union's current relations with East and West Germany, but should be qualitatively new in essence, ensuring fast growth of bilateral cooperation in various fields.

The growing mutual understanding between the Soviet Union and West Germany, which they have displayed in solving the German problem, has begun to cover also other areas.

The two ministers said in Moscow they were going to step up efforts to prepare a meeting of CSCE countries in Paris, and their readiness to start practical work to coordinate a joint declaration of Warsaw Pact and NATO countries within the framework of the Vienna 23-nation group.

The Soviet Union and West Germany have a common stand on the current crisis in the Persian Gulf. They call for strict compliance with the U.N. Security Council's resolutions and active collective efforts towards an early peace settlement there.

Relations Assume 'New Character'

PM1908135190 Moscow IZVESTIYA in Russian 19 Aug 90 Morning Edition p 4

[Untitled boxed TASS report carried under general heading "E.A. Shevardnadze and H.D. Genscher News Conference"]

[Text] E.A. Shevardnadze's latest working meeting with FRG Foreign Minister H.D. Genscher was held in Moscow 17 August and continued the intensive discussion of the entire range of questions linked with the external aspects of the building of German unity and also with the creation of the conditions for the development of broad cooperation between the USSR and a future united Germany.

Reasserting the exceptional political significance of the fundamental accords reached in the course of M.S. Gorbachev's talks with H. Kohl in Moscow and Stavropol for finding mutually acceptable settlements on the external aspects of the unification of the two German states, the ministers came out in favor of moving on this basis toward completing the work on a document on a definitive international legal settlement with Germany at the Moscow meeting of the six states' foreign ministers.

There was a detailed exchange of views on ways to implement in practice the accords on questions of developing bilateral relations reached in the course of M.S. Gorbachev's 15-16 July 1990 talks with H. Kohl. E.A. Shevardnadze handed H.D. Genscher the Soviet drafts of treaties and agreements on questions of bilateral relations. A special place among these documents is held by the draft political treaty between the USSR and a united Germany. The two sides stressed that such a treaty is intended to ensure a qualitatively new character of relations between the two states and create the preconditions for substantially boosting cooperation in the most diverse fields. It was agreed that talks on agreeing the texts of these documents will begin in the very near future.

The sides advocated the further galvanization of preparations for the Paris conference of CSCE states and also the speediest beginning of practical work to agree on a joint declaration by the Warsaw Pact and NATO countries within the framework of the Vienna Group of 23.

The ministers expressed concern over events in the Persian Gulf region, which are becoming increasingly dramatic. They agreed to continue to maintain constant contact on questions linked with the situation in the region, including the implementation of corresponding UN Security Council resolutions.

H.D. Genscher left Moscow in the evening.

Shevardnadze, Cypriot Counterpart Send Greetings

LD1808112890 Moscow TASS in English 1114 GMT 18 Aug 90

[Text] Moscow August 18 TASS—Soviet Foreign Minister Eduard Shevardnadze congratulated Cypriot Foreign Minister Yeoryios Iakovou on the occasion of the 30th anniversary of the establishment of diplomatic relations between the USSR and the Republic of Cyprus.

Shevardnadze's congratulatory telegram released here today emphasises the fruitful development of relations between the two countries on the basis of the long-standing traditions of friendship and mutually beneficial cooperation.

It expresses confidence that the sound potential of these ties will continue to yield tangible benefit to the peoples of the Soviet Union and Cyprus, build the new architecture of Europe and enhance international security.

The telegram reaffirms the Soviet Union's consistent course of increasing cooperation with the Republic of Cyprus, supporting the Cypriots' just efforts to achieve a lasting and viable solution to the Cyprus question, strengthen the sovereignty, independence, unity and territorial integrity of their country.

Iakovou's telegram praises the level of comprehensive ties between the two countries and expresses deep gratitude to the present delicate stage in the settlement of the Cyprus question. It emphasises the desire to continue consolidating friendly relations between the USSR and the Republic of Cyprus in all areas.

Swiss Shipbuilding Firm Proposes Joint Venture

LD1808165190 Moscow Domestic Service in Russian 1400 GMT 18 Aug 90

[Text] A Swiss shipbuilding firm has addressed the USSR president and the chairman of the USSR Council of Ministers with a request to support a joint venture in the shipbuilding sector. It is valued at $300 billion. An impressive sum! As INTERFAX reports, it involves the modernization of civil and the conversion of naval shipyards in the USSR.

The proposal is based on the huge worldwide demand for industrial capacities of the industry. It is proposed to set up a large number of joint enterprises for the realization of the project. It is to take 8-10 years, and it could turn the Soviet Union into a leading shipbuilding and ship repairing country.

Swiss Firm To Decontaminate Chernobyl Metal

LD2008085590 Moscow Domestic Service in Russian 0700 GMT 20 Aug 90

[Summary] Under a deal signed with the Pripyat production association, the Swiss company Retsetek is to decontaminate approximately 200,000 tons of radioactive metal around the Chernobyl Nuclear Electric Power Station site. The metal is immersed in fluoboric acid, which removes radioactive particles and is then itself purified by electrolysis. The process poses no danger to ground water, and the radioactive waste can be buried with relative ease. Retsetek is treating the operation as an experiment and will make no profit from its work.

Estonia To Set Up Venture With Finnish Firm

LD1608160890 Tallinn Estonian Television Network in Russian 1600 GMT 13 Aug 90

[Summary] Prime Minister Edgar Savisaar met the chief director of the Finnish Neste firm today. The Estonian government—together with Neste—intends to set up a joint venture next autumn to build a petroleum terminal which could receive 1.5 million tonnes of fuel. No site has yet been chosen but environmental aspects will be seriously considered.

Lithuania's Prunskiene, Group To Visit Greece

LD1808141690 Vilnius Domestic Service in Lithuanian 0900 GMT 18 Aug 90

[Text] One hour ago, the chairman of the Council of Ministers, Kazimiera Prunskiene, left by air for Greece. Twenty children and three teachers are going with her. Ten days are allocated for the visit. It has been arranged at the invitation of the Athens mayor. Most of the visit will be devoted to rest and acquaintance with Greece.

Political & Social

Gorbachev Visits Odessa, Delivers Speech 17 Aug

Views Domestic, Foreign Affairs

LD1708213590 Moscow Television Service in Russian 1818 GMT 17 Aug 90

[Speech by President Mikhail Sergeyevich Gorbachev to participants in a military exercise in Odessa Military District on 17 August—recorded; video shows Gorbachev on rostrum in hall addressing military with officers seated on platform behind him]

[Text] Sovereign servicemen bear an extremely great responsibility to their own people for the security of the state. Their military service must guarantee the country, which is engaged in immense revolutionary transformations, against all unexpected occurrences and chance happenings. As president of the country I deem it essential to stress this particularly at my meeting with you, dear comrades. In my address I plan to touch on military matters, the development of our Armed Forcess in the context of the contemporary internal and international situation.

But, first of all, I would like to speak about questions on which both public thoughts and all political and practical activities in the country are focused at the moment. We are on the eve of very great decisions in the course of perestyroyka. They will determine the development of our society for years and decades hence. The country is on the threshold of fundamental, revolutionary transformations of its economic system. By collective efforts involving all the peoples, we must draw up and implement profound transformations in our Union composed of many nationalities. An intensive formation of the democratic structures of a rule-of-law state is in progress. The acute, practical task of building up the cultural and intellectual potential of society faces us. Without this it will be difficult to count on the success of perestroyka as a whole.

The dramatic quality and crucial nature of the present is that, after the preparatory stage which we have gone through in implementing the policy of perestroyka, the phase of decisive changes has begun. Changes in policy were needed at the beginning. Now these changes must be transformed into real life and we will go, through these changes, on to new forms of life in our society.

Public opinion has again been greatly concerned with the theme of the country's destiny. To what extent are the planned moves to new forms of life and to the renewal of society scientifically and historically grounded? We see the solution of these genuinely fateful tasks in a switch to the market, in combination with further development in the democratization of the whole of life in society. In response to this, we have encountered attempts to frighten the people with the market, to foist on them an opinion that a switch to the market is a rejection of socialist ideas, the road to a reduction in living standards. It turns out that the country's leadership is only concerned with worsening the lives of people, of our people. Most likely, the interests of the forces that do not accept perestroyka are hiding behing these positions.

It is politically important for us to realize that by dwelling on the difficulties and utilizing the tension in society, conservative forces want to awaken in people suspicion of the measures being developed now with the aim of switching to a regulated market. In this way they want to destabilize the situation and slow down the transformation processes. The interests of those who are involved in this are easily transparent. They are straining with their last energies to hold on to, or at least prolong, the existence of the command-administrative system and the forms of life connected to it. In so doing they preserve their present situation, their present positions. So this is about personal advantage and not at all about the interests of the people.

In the present debate there is another, no less widespread opinion. It is of no importance, it is said, what the economic organization of society will be like, just so long as man lives well. In general it seems at first that this should suit us all. Such a formula corresponds to us all. But this is a deliberate simplification. The supporters of such a position have not yet made up their minds to fully make public their views and plans. But their goal is obvious nevertheless: to disarm public consciousness and deprive it of reliable reference points. There is also a long- term aim: to prepare society to part with the socialist idea, by exploiting the difficult situation—to discredit it, bury it and change the political course of perestroyka.

It is not necessary to have a great gift of prescience to conclude: Attacks from these two sides will increase in proportion to the intensification of the transformations implemented. But in fact we already see this almost every day.

For us, and I hope for the majority of our citizens who support the policy of perestroyka as formulated, its meaning remains unshakable: to implement the socialist idea and give new life to socialism, and through the moral improvement of society. Our goal is to establish freedom in society, democracy, a respectful attitude toward the individual, and to create all the conditions that provide man with the opportunity to show his capabilities and implement his plans in life.

Now there is talk of the crisis of socialism, moreover of its historical defeat. Personally, I share the conclusions of those who consider that it is not the socialist idea as a whole that is suffering defeat; it is utopian, left-wing, radical, war communism, covering itself with the terminology of socialism, rejected by Lenin at the end of his life, that has suffered defeat. It is precisely for this reason that we have grounds to maintain that we in the USSR are dealing with a crisis promising not the decline of, but

the renewal and renaissance of society based on a modern understanding of the essence of socialism.

Just now taking into account our own experience and the achievement of world theoretical thought, we understand socialism as a great idea with its roots in the humanistic beginning of world culture and thought common to all mankind, as a public movement growing out of the struggle of the working class in capitalist society and now having become the vehicle expressing the interests of the broadest democratic forces, as a socio-political structure which emerges at a certain level of the development of civilization and is realized in the most varied of forms in accordance with the historic opportunities and features of each people. We see in socialism not something rigid, not some finished form or model, it is always a process, a movement, which has at its foundation the struggle for expansion and assertion of the rights and freedoms of the individuals, of economic and political democracy, for the elimination of all forms of exploitation and of social and ethnic oppression, for the triumph of social justice and of collectivist solidarity, and for the all-around development of the individual. In fact, that is the essence of the concept of perestroyka.

Today the focus of all our work to implement it is moving into the economic sphere. Here cardinal measures have to be implemented, first and foremost concerning property relations. Today's monopolistic, undivided, ubiquitous domination of state ownership is the main reason for the crisis in the economy. It is also the main obstacle on the road to emerging from this crisis. The domination of this ownership, depriving the individual of ties with the means of production, rules out the possibility of creating working conditions under which the economic interest of the toiler and of labor collectives would be the main motive force of production and exchange. In the form it has today, it serves as the basis of the administrative and command system which shackles our whole society, and without whose destruction the revival and renewal of the country are simply not possible. We all have to understand that. It is understandable that every attempt to establish normal economic relations and to create a real market while preserving the monopoly of state ownership has been doomed to failure up until now.

So the main task, and an urgent one, is now the head-on reformation of property relations through slackening of state control, the elimination of monopoly. We must implement the privatization of property, but within the framework of what we have chosen. This may appear paradoxical and sort of theoretically unsubstantiated at first glance, but that is only at first glance. Here and now is not the place, at this meeting, to develop the arguments on this issue, but they do exist. I cannot agree with the reasoning of those who insist, divorced from today's domestic and external realities, which is altogether unscientific, that we should start everything from scratch, return virtually to the stage of initial accumulation. This is a view which is fairly widespread and rampant in our public opinion.

This, too, would be the artificial imposition of just another model without taking the realities of society into account. Moreover, we do have the experience of the developed coutnries at our disposal, where working people buy an enterprise from a monopoly and do business within the framework of the market economy, competing successfully even with very strong firms and concerns. We must look on the task of denationalization as a priority. On the way toward this are the transfer of property to the working collectives and the creation of joint-stock companies, cooperatives, lease-holding enterprises and, in a number of cases, on the basis of sales to private ownership, of small enterprises in primarily the services and commercial sphere associations of free producers [assosiatsii svobodnykh proizvoditeley]. In this way a society will be formed in which the main actor and source of dynamism will be economic interest, people's initiative, their complete economic independence, and the right to do business in their own way and to dispose of the results of their own labor. We are counting on medium-sized and small enterprises playing a particular role in this matter. The spirit of enterprise should be given the utmost encouragement in society.

A natural result of all this will be the emergence of a wide economic space and a full-blooded market, regulated by a democratic state with the aid of economic methods and with the aim of harmonizing the interests of the commodity producers and consumers and ensuring the social protection of the population, above all those sectors of the people that are experiencing severe need. A market economy of this sort presupposes the existence of the appropriate institutions, what we call the market infrastructure. I am talking about a fundamental transformation of the banking, credit, finance, and taxation system. This, too, must now be done without delay and is, indeed, already being done.

I would also very much like to bring one very important consideration to everyone's attention. The transition to the market is an extremely profound and complex process which involves a refashioning of the way in which the whole population thinks. It requires a new standard in the work of all cadres from top to bottom. Nothing will come about automatically here, comrades. We must uncompromisingly end our habit of relying on the force of decisions alone; the idea that once a decision has been made everything will follow its own course.

There are many countries with a market economy, you know. But the best results have been achieved in the group of developed countries. The fact is that the modern market requires highly qualified personnel in the economic sphere and demands extremely tight discipline at every work place. It requires, I would say, respect for one's tasks and for the work of other people. Just compare our engineering and administrative cadres in production, trade, and finance, the level of information systems serving the economy, and the quality of output with the standard achieved long ago in the developed

countries, and you will see how much ground we have to make up over a relatively short time as far as these parameters are concerned.

We must prepare for this now. All society must take part in the preparations, with the help of science and modern technology, by raising overall standards, skills, and responsibility in everything. Ultimately all this must set in motion economic processes that will ensure sensible management of the economy and rational utilization of manpower, material, and financial resources, and that will make it possible to deal the final blow to a wasteful economy and bring fruitful results benefiting all society, every family, and every individual.

This, in fact, is the actual point of all the planned reforms: the improvement of people's living conditions. Everyone must be aware that without a market we will not obtain the necessary quantity of goods, let along high-quality goods. Without a market it will be impossible to achieve economic decentralization. Without it there cannot be freedom of entrepreneurship. Without it man cannot recover the means of production or land, the ability to market freely the fruits of his labor. Without this there can be no incentive, the motivating force that our economy really needs. Without a motivating force there will be no movement. The market means greater initiative and inventiveness. But, of course, it also means greater responsibility and risk. People will be able to earn more, to live better, and to exploit their talents and skill more productively for the benefit of themselves and society.

Everyone must realize that the socialist choice can only be implemented through labor based on the people's own economic interests. What is facing us is that most difficult task that faces all socialists of all generations: how to combine socialism and people's interests. This kind of labor will be applied both to the leveling-out psychology and the dependency that are literally fetterng society and barring the way to rapid recovery from its state of crisis.

In short, in implementing a package of fundamental measures, we wish to open up horizons for the independent development of production collectives, to tap the labor potential of each person and family, to eradicate departmental diktat, and to establish in practice the right to property, with all that that entails. We must create in the country an atmosphere of respect for property. Without the market and respect for property we will never have a sound foundation for democracy, human rights, or freedom of thought and speech.

A tremendous amount of work has to be done in the coming months in preparation for the switch to the market. Above all, serious measures must be put in place to stabilize the consumer market and maintain the economic links that are now in great disarray. If there were to be further destabilization one might simply say that the transition to the market might have to be delayed. Despite all the difficulties today we must try to do everything to ensure that we complete the present economic year with the best, highest possible results in the present circumstances. For all these are all preconditions for stabilization, and it's only in the framework of such a stabilization that we can move decisively toward the market. These are all components of the present and immediate months to come—everything that we are incorporating in the preparations for the transition to the market.

The distinctive feature of the socialist option toward which we are moving via perestroyka, of its new phase, is the marriage of socialism with freedom, as I once had occasion to remark. The democratization of political and public structures creates equal opportunities for all of the country's citizens to take part in state affairs at every level. The socialist nature of our policy as a whole and of its supervision of the economy is guaranteed by free elections to every body of power.

The working man is genuinely becoming the source of power. One convincing indication of the democratic and socialist nature of perestroyka is the revival of the workers' and peasants' movement. This is still at the beginning of its road, a new road. Much here has still to be assimilated and to take root, but this is an exceptionally important process of fundamental significance for the success of perestroyka. We must organically amalgamate the objectives of perestroyka with the goals of the workers' and peasants' movement. That is the first subject upon which I wanted to share my thoughts with you at this meeting. At present intensive work is being conducted on how, in what timeframe, in what forms, and by what methods to ensure the least painful transition to the market.

The acute tension in relations between nationalities and the fate of our Union are of no less concern to all of us today than the economy. Indeed, the Soviet Union, in the form in which it has existed to date, has exhausted its possibilities; but this is not a justification for its collapse and for separatism, but an incentive for it to be profoundly transformed according to new principles. The peoples of the country have—in the fullest sense—to make a decision affecting the destinies of generations of Soviet people alive today and with enormous consequences for future generations.

Drafting the new Union treaty is extensively underway. It is being done in such a way as to take all opinions and interests into account and so that it will be the result of profound scientific, social, and political work in which all interested sides will have taken part. For all of us, comrades, this—I can say outright—is a matter of particular significance. The processes of national revival and democratic acquisition of sovereign rights do not proceed without pain but contradictorily and, unfortunately, not always constructively or in a spirit of mutual understanding.

Not only is there no lessening of the acute state of relations between the nationalities, for the moment it

continues to increase. Bitter conflicts arise first in one place, then another. It is also obvious that the acute nature of the situation is being exploited by various forces to achieve their selfish aims. I see our common responsibility in not permitting such a line of argument and even less the kind of development of events that would plunge the country into chaos and bring our great state to the brink of collapse. In a difficult situation that calls for urgent and radical measures to settle relations between the nationalities one still has to hear such voices as: Is it worth rushing the draft of a Union treaty at all? They reason: Let life itself teach people to understand the need for it. In conditions of a crisis of society, centrifugal forces are constantly giving rise to a nationalistic ferment that is often out of control and fraught with dangerous consequences for the entire country and even in international terms. True, the Union treaty is not in itself a solution to all problems at a single stroke. That is true. It is, however, a turning-point in the protracted and difficult process of moving toward a rational and mutually acceptable outcome. This is of particular importance in conditions where there is an ever more acute awareness of the need for a new constitution, an important component of which would be the Union treaty as the legal basis for the existence of a Union of sovereign states. For all these reasons, I believe it is essential to do everything to have the Union treaty concluded this year.

I am constantly being kept informed as to the preparation of the draft. Serious, multifaceted work is in progress, in which all the republics and autonomous formations are taking part. A vast quantity of materials and scientific research is being studied, and the evolution of public opinion on this vital problem of our country and of perestroyka is being analyzed. All this is right and necessary. The document must include the whole diversity of factors and interests. It must be based on established realities. Without this we cannot work out a treaty that will be just and acceptable to all and that will correspond to the aspirations of the people and take into account not only the internal conditions, but the external ones also—the new trends in the world around us and the role of our state in the world arena. I think it's worth reminding ourselves of this, since the problems that have accumulated in our Union are only a part of the general picture—part of the general picture and of the mutual links that have emerged in the course of history. Not one of them can be lost sight of. The fact is that many of the statements and judgements now being made and claiming to be the final truth, a new word in nationalities policy, are based only on an analysis of the problems that have piled up and not on the whole aggregate of realities. Over many centuries our country has been formed as a country of many nationalities. There has been oppression in it and lawlessness but also bright pages in mutual aid and solidarity. Together we have fought off invasions; shared common grief and common joys, a common desire for justice, a sense of spiritual closeness and kinship—regardless of nationality—and experienced a deep interpenetration of culture. It is impossible to disregard all this when we are making decisions that affect the destinies of all the peoples joined in our Union.

Or take the demographic situation in our country. It is characterized by a remarkable multiplicity of ethnic strata and people scattered over vast territories. Practically all our republics are multiethnic. There are tens of millions of people from mixed marriages, and more than 60 million living in the territory of other people's republics. Attempts to change these results of a long and natural historical process by force could end in a sea of tears and blood.

From the bitter experiences of the past few years, we already know what the encroachments on this human reality have resulted in and the suffering this has brought to millions. Yet this has affected only individual regions of the country. Those who are openly or artfully endeavoring to wreck the Union usually make reference to the people's views, and claim to speak on the people's behalf. It is remarkable, however, that in a republic where political figures are making statements about secession from the USSR, the people's consent has not been sought. Nobody has held a referendum anywhere yet, and not only not held one, but even suggested one. Furthermore, all sorts of pretexts are being used in an attempt to evade holding one, although in cases like this a referendum is absolutely vital. Legal and political games will be to no avail, because deciding issues like this is the sovereign right of the people itself, and I think the people are going to insist on this. This is their legitimate right, their natural right.

We know what happened as a result of infringements of the declared principles of the federation. This did tremendous damage to all peoples. But one cannot deny that it is actually this unitarian nature of our state that has given us a very high degree of economic integration, an extraordinarily profound division of labor within the framework of the Union, and a complex mesh of links between the repubics, the regions, and especially the production collectives. This is a reality. It is a reality that we generally refer to as the unified national economic complex. Admittedly, it has seen numerous distortions, deformations, and mistakes—in the siting of production forces and in the use of natural and labor resources. In a number of instances, callous technocratic attitudes have led to severe environmental repercussions. All this is true. But it is an unavoidable fact that today all the republics, regions, and labor collectives in the country are closely bound, and cannot in fact function or tackle their tasks in isolation. They cannot survive without these ties.

Moreover, it would be reactionary to destroy these relations, and profoundly at variance with trends that are on the increase in the world economy, particularly on the continent of Europe. It would do vast damage to the vital interests of all the peoples of the country. Whoever thinks, even in the large republics, that he can regenerate the economy by isolating himself, or at others' expense,

is making a huge mistake. Such feeble notions—and I do not wish to give them any other name—are clearly to be seen nowadays even, unfortunately, where it would have been hard to expect them. And it is no accident that many foreign politicians, and the scientific world, look with surprise and with legitimate apprehension at the actions of those in our country who, in defiance of the laws of the world's growing integrity, are prepared to disintegrate and enfeeble such a powerful, international, positive force as the Soviet Union. They cannot understand abroad why it is that we want to deprive ourselves by our own hand of the chance of creating a common market able to impress the world by the dynamism of its progress and to provide all the peoples it includes with prosperity and a high standard of well-being, with a territory encompasing one sixth of the globe and endowed with unique natural and other riches, and vast scientific and intellectual potential.

Or take the matter of defense and security, and the role of the Soviet Union in world affairs. After all, the beneficial changes in the world are to a large extent due to perestroyka in the Soviet Union as a world power. What, generally, is the significance... [changes thought] I am not about to offend any small country, as each people and each state merits respect, but there are, naturally, realities, and the role of this or that state, brought about by history. Given all the changes that take place in small states, nevertheless over decades the world has not changed... [changes thought] has changed for the worse even, although positive changes have taken place in those small countries. Our influence can be explained, as perestroyka within the framework of humanization, democratization, and the revelation of the potential of a social system addressed to the individual is taking place in a vast country.

And there are people, I am sure, who are ready... posing as democrats, very great democrats, very trustworthy supporters and articulators of the people's interests... who are offering us nothing other, though served up in different ways, than the disintegration of this multiethnic state. And this despite the realities I have just mentioned.

I am profoundly convinced that not only we, the peoples of our country, but the world community as a whole has an interest in seeing the USSR make a growing positive input to world processes. But it will only be up to this if, in reforming and renewing itself, it maintains and strengthens its positions as a integral state. And therefore the supreme soviets and governments of our republics must exercise very lofty responsibility and consider things from every side when deliberating issues connected with the distribution of roles between them and the center in the international sphere. Here as in other spheres, incompetence, dilettantism, rashness, and in particular emotional outbursts and ambitions of all types are impermissible. But this does not mean that the role of the states brought together in a union as a subject of international activities should not change substantially in the present circumstances.

The defense of the country is a special issue, for the Soviet Union has the status of a world nuclear power. Together with the United States its nuclear potential is many times, dozens of times, greater than that of all the others. In addition, the country's defenses today form a highly complex integrated system on which depends not only the security of the Soviet Union but universal security, as well.

There are other points I could make, too, but I think this is already sufficient. It is clear that all of our peoples have an interest in maintaining our country's defenses at a worthy level and that this requires united efforts. I cannot even imagine anyone intending to divide up the nuclear weapons and the nuclear potential along with the country's defense command systems. This is a highly sophisticated complex in which everything is mutually-dependent and interlinked. And it can fulfill its task only by functioning as a single whole.

But if in this matter we were suddenly to take the path of creating regional structures and fragmented defense, we would not only undermine our own security but would also damage security in the whole world. We must know this and understand it well.

And are there not, comrades, also a great number of problems and tasks which require for their solution a pooling of effort, cooperation, and interaction? Among them are the power industry, the main transportation routes and communications, ecological safety, and much, much else. These are all very serious questions, and they must be taken very seriously.

Yes, it is already evident now that the formula—strong republics, strong center—reflects all the complex dialectic of the process of shaping our new Union as a union of sovereign states. And we must all be, in this country, equal to our historic responsibility if we are to solve correctly all the questions of the transition of our multiethnic state to a new quality.

Our international policy: I do not think it is any longer necessary to delve deeply into its justification. I am aware that the reasons and foundations of our foreign policy of perestroyka are familiar to you, the officers and generals of the Soviet Army. [a loud crash is heard] Surely we have not brought rain with us. That would be a fine thing!

[Unidentified speaker] Exercises and rain always go together. [laughter]

[Gorbachev] I thought I had come in connection with that. Incidentally, at the congress of the Russian Communist Party and at the 28th CPSU Congress, we again came up against instances of its nonacceptance—nonacceptance of the new foreign policy, by, among others, some of the military. I hope I was understood when I reacted at the congress to that criticism which originated in the times of the old thinking. The position of the country's leadership, as you know, was supported in the documents of the congress; and even earlier, the

new foreign policy had been endorsed by the congress of USSR People's Deputies and the USSR Supreme Soviet. So we now have a kind of legitimized foreign policy; and all the institutions of the state that are concerned with international affairs are obliged to be guided by it in their practical activities. We have recently had one more incontrovertible proof of the rightness of that course: the end of the cold war. This has not just been a matter of solemn declarations by both sides that had taken part in it: there are real actions, plain to see, that confirm that conclusion. They may seem insufficient, inadequate to the deep changes in the political and psychological atmosphere of the world; nonetheless, these are facts.

The reduction of a whole type of nuclear weapons and the already maybe irreversible resolve to reduce strategic nuclear weapons and conventional weapons in Europe and to ban and liquidate chemical weapons are all facts. It is a fact that following on from the Warsaw Pact a process of revising NATO's military doctrine has begun. A very promising start has been made to the creation of new security structures on the continent of Europe to replace structures based on blocs. Of course, all these vast changes have proved possible as a result of the considerable improvement of the international situation in general and of our relations with the European states, particularly Soviet-U.S. relations. All this has unquestionably strengthened our security.

In addition, the very meaning invested in this concept, which was previously confined principally to the military aspect, needs to be revised. The most vulnerable point of our policy for those who do not agree with or who do not understand our foreign policy is, in their view, the change in the situation in East Europe. I don't propose to explain the obvious: any attempt on our part to stop these changes by force would not result in a strengthening of our security but would place us on the brink of direct military conflict with NATO. At any rate it would destroy everything achieved over these last few years to channel international relations in the direction of improvement and constructive cooperation. I do not have to mention the fact, comrades, that such attempts on our part would be simply rejected—and decisively so—and condemned by the peoples of these countries. So let's take a sober and honest look at things.

Since the events in East Europe began, has our security suffered, eh? I am convinced that the reverse is the case. It has gained a prospect of being strengthened on more stable and reliable foundations. Building respectful good-neighborly relations, shorn of attempts to foist anything on anyone, building them on a balance of interests and mutual advantage, is of course much more difficult than consoling oneself with a hope that ideological unity will ensure that all our problems are solved. In practice it turned out that beneath a show of friendship and accord, real contradictions and great dissatisfaction were mounting up. Sooner or later this was going to have to erupt. The former relations had long since ceased to meet either our own deep-seated national interests or those of our neighbors.

A special matter in this regard, which is of even more relevance to our security, is the question of German unification. The FRG is a major military force on the continent of Europe. A unified Germany will be one of the economically most powerful and politically influential states of the world.

The particular nature of this problem also lies in the fact that our concept of security to no small extent proceeds from the results and lessons of the most difficult war for us, that with Germany.

But the postwar period has ended. Profound and positive changes are taking place, as I have already said, on the European continent. During these changes, both in the two German states and in our relations with these states, the unification of Germany has become possible, as has our positive attitude toward this problem, to this question.

Everything has been thoroughly thought through, and all the elements and the new realities have been taken into account. In a word, I am convinced that our policy on the German unification issue is the only sensible and correct one. We view the future of Soviet- German relations with optimism. It is of no little importance that here a most importatant factor of these relations for the future, the element of trust, came into play opportunely. We can—I am convinced of this—have normal, good-neighborly relations on many levels with this great nation in the interests of both peoples and the peoples of Europe and the whole world.

It is in the context of the fundamental changes in the world, and in accordance with our new foreign policy line, that it is also necessary to examine the position adopted by the USSR in relation to the aggression by Iraq against Kuwait. Basically for us, just as for the majority of states, there was actually no other choice. The use of force to redraw state borders, and moreover with the aim of annexing a sovereign country, is fraught with a chain reaction dangerous for the whole world community.

It is unacceptable for us to react in any other way. This is also because the aggression was committed with the help of our weapons which we agreed to sell to Iraq only to support its defense capability and not to seize other's territory and whole states.

The perfidy shown, the unceremonious trampling of international law and the UN Charter, in a word, everything on which the world community now places its hopes, trying to bring civilization into a channel of peaceful development—this is why it is important not only to halt the military actions and not to allow them to spread to other countries, but why it is also important that respect for international law be restored. We are counting here on the good sense and responsibility of Arab states and their regional organizations. We are relying on the authority and rights of the United Nations and the Security Council. We intend to act exclusively within the framework of collective efforts in settling this

conflict. We are in favor of political methods being used to avert its escalation into a military confrontation on an even greater scale, an even more dangerous scale.

Issues of military policy: The situation along the main line of armed confrontation in the world has radically changed. We are moving toward a new quality of interaction between the military policies of states on which it depends to a decisive degree whether or not there will be a world war. The direct threat of the unleashing of a war against the Soviet Union has also disappeared. However, this does not mean that we no longer need powerful, contemporary armed forces. Not one great state, all the more so one that is a permanent member of the UN Security Council, can yet manage without armed forces adequate to the situation in the country and the world, and to its role in world politics. This is also conditioned by the fact that we live in a world where too many weapons have been accumulated, including so-called absolute weapons capable of annihilating civilization and life on earth itself. Such a situation of excess armament has prompted us to move decisively onto the road of a demilitarization of politics. Our new approaches to world matters have encountered a positive response throughout the whole world, including from the leading military powers. We will persistently bring matters to a real reduction in arms. This is a very difficult process, but a necessary one. It is necessary both from the point of view of humanity's progression toward a non- violent, nuclear-free world, and from the point of view of our internal need to resolve great economic, social, and moral problems. We will act with the greatest of responsibility, constantly bearing in mind the reliable security of the state. This means that the process of reduction, of disarmament should be conducted on an equal footing, on the basis of a strict observation of balance at all stages. We also need to approach the forthcoming military reform which, strictly speaking, has already begun, taking into account what has been said, comrades.

Why do we need it, first and foremost? Generally such reforms are carried out after a war. Well, in fact it is something of the sort—true, of a rather special sort—that is now happening. For the fact is that our present Armed Forcess were created to deal with the task of the cold war. That is now over. So, of course, the problem has arisen of carrying out a reform, both of our thinking, which has found its reflection in the new doctrine—military doctrine—and of the construction of the Armed Forces, on the basis of implementing that doctrine. We have changed our military doctrine and from that it follows that we now have to refine and change the structure of the Armed Forces. As I have said, that is in effect already happening.

What specifically is to be done under the heading of military reforms? First, what kind of Armed Forces, quantitatively and qualitatively, does the short term call for? To establish this it is necessary to use the most up-to-date data to evaluate the military doctrines, the thrust, and predictable trends in the military activities of such states as the United States and other NATO countries, as well as Japan. China, Iran, Pakistan, India, a number of Arab countries, Israel, Southeast Asian states. It is essential to know as precisely as possible these countries' plans for developing their armed forces in the 1990's. The basis of these goals and tasks must be determined to ensure the defense of the USSR, as must the numerical strength of the Armed Forces, and the way they are grouped both as a whole and in particular areas.

Second, taking into account what has been said, the structure of the Army and the Navy have to be determined. At present we have five branches of the Armed Forces. What are their purposes and how far are they needed in the future? That is one question. How should the role of each of these branches change? That is the next question. This should also be defined by the military reform.

Third, it is necessary to calculate—and to do so on a new and rational basis, proceeding directly from the doctrine of defense sufficiency—what financial and material resources can be allocated to defense, to maintain the Army and the Navy and ensure their combat readiness, to scientific research, to serial supply of weaponry and military hardware, to provide for the everyday needs of personnel and officers' families, to build and maintain accomodation, to provide cultural facilities for the Army and so forth.

In the imminent future, when issues of finance and materiel are tackled, the tasks connected with the withdrawal of troops from abroad must be taken into consideration. This problem is of enormous social and state import. How is it to be resolved? The morale of our troops will largely be dependent on this, both now and in the future. This is all very serious, for many problems surrounding just the arrangements for the families of officers have been amassed, and in recent years they have become acute. Therefore, notwithstanding the steps that have been taken, and which Marshal Yazov, the defense minister, has mentioned here, we clearly cannot get away with one-time solutions. What is needed is a state program, and at the present time it is under examination by the government.

Fourth: We must decide on the principles behind the Armed Forcess' manpower acquisition. What is the best principle for us to follow? I believe there already is a prevailing point of view. But all the same, there is something else. There is a sort of mixed principle of manpower acquisition when the officers, warrant officers, and those on extended military service make up the regular section—for whom military service is their profession in life—while the ordinary soldiers and sergeants are called up on the basis of universal compulsory military service. There is another point of view, according to which the time has perhaps come to move forward a voluntary professional army, in which the soldiers and sergeants are also regulars.

Fifth: What service principle should we introduce? National territorial or extra-territorial—pan-Union? Or should the two be combined? That is another question. These are just some—albeit the most important—of the problems that must be resolved in the course of military reform. The drafting of its concepts is drawing to an end. In September we will be examining it at the Defense Council attached to the president. After further reworking it will be put before the USSR Supreme Soviet. The idea is that the reform should commence in 1991.

A couple of words now about the relationship between and joint work of the political and military leaderships. The relationship is fine. The work is businesslike. As I have already said, an overhauled Defense Council has been set up and attached to the Presidential Council and the president. As before, all issues affecting military activity and the construction of the Armed Forces will be discussed and examined at it. The Defense Council will work in tandem with the appropriate USSR Supreme Soviet committees.

Finally, there is another topic on which I would like to voice my opinion. For the Soviet Army, an atmosphere of soldierly brotherhood—irrespective of the position held—has always been a guarantee of its resilience and strength. Army collectives should cultivate comradeship, mutual assistance, mutual help, and an attentiveness to each other, irrespective of position and rank. It is splendid that this process of improvement—although not without its difficulties—has already begun; it should really be carried forward, making use of all the opportunities among commanders, political organs of the party, and Komsomol organizations in the Army.

I am impressed by the fact that many letters are arriving from servicemen themselves. In these, they criticize the shortcomings of intra-Army relations, and at the same time cite numerous examples indicating the great authority of the generals and officers.

Such letters always make one want very much to see this process, this transition to new relations within our Army, take place faster. The Army has all the potential for this. Correct solution of cadre questions, a principled approach to this question, the provision of servicemen's day-to-day needs, and concern for their well-being are very important to the success of this work. Officers at platoon, battalion, and regimental level and units themselves have formed the impression that somebody is putting obstacles of some sort in the way of the natural progression and promotion of commanders, even though all the prerequisites for this do exist. They are pointing out shortcomings in personnel policy. I believe that personnel policy has in fact started to change, and the minister of defense himself had an influence on this. I welcome this, and what he had to say today at this meeting.

We must boldly set about promoting young people. This policy opens up a broad path for talented people who are devoted to military service and love it. At the same time we must not hang on for a single day to people who will settle for any old job so long as it provides them with rubles and so on. Such a person will never become a soldier. There is nothing to be sorry about if he leaves the army. [applause]

I think that maintenance and strengthening of the prestige of officers of the USSR Armed Forces—and the prestige of military service in general—is a task for the entire people and the entire state. I hope that this conversation of ours will be heard in our society, in our country.

In conclusion I must tell you that difficult times await all of us over the next year to 18 months. We must hold out during this period and surmount this steep section of the country's history in a worthy manner so as to reach its great and—I am convinced—glorious future. I wish you success in your military service as soldiers. [applause]

Observes Troop Exercises

LD1708162190 Moscow TASS in English 1604 GMT 17 Aug 90

[Text] Odessa August 17 TASS—President Mikhail Gorbachev's meeting with troops of the Odessa Military District and representatives of the Soviet Officers' Corps during a military exercise in the area grew into a wide-ranging dialogue on the future of the army and the country as a whole.

In the morning, a unit of Marines supported by Black Sea fleet warships landed on the coast. A day before, helicopters dropped frogmen into the sea to remove mines planted in the coastal waters.

Airborne troops alighted behind the defence lines of a motorised rifle division to build on the success of the Marines.

Having occupied advantageous positions in the locality, the paratroopers repulsed counter-attacks from the riflemen backed by a tank regiment.

Gorbachev, watching the war games, praised the skill of both attackers and defenders. In conversations with paratroopers, he expressed interest in their training and life.

President Gorbachev and Defence Minister Dmitriy Yazov then presented commemorative gifts to the soldiers.

The meeting with exercise participants and officers of several military districts and fleets took place in the afternoon.

Opening the meeting, Marshal Yazov dwelt on the tasks of the Soviet Armed Forces in present-day conditions and the course of the military reform, and summed up the results of the exercise.

Military reform focuses on people, primarily, officers, he said.

The minister analysed the problem of the social protection of servicemen.

Gorbachev then addressed the troops.

Talks With Exercise Participants

LD1708173490 Moscow Domestic Service in Russian 1500 GMT 17 Aug 90

[Report by correspondent Sergey Fatayev on military exercises being held near Odessa on 17 August, including remarks by USSR President M. Gorbachev and an interview with USSR Deputy Defense Minister V. Varennikov—recorded]

[Excerpts] [Announcer] Today in the region of Odessa and Nikolayev, operational tactical exercises were held. Over to our correspondent Sergey Fateyev.

[Fateyev] It is morning, and here on the coast of the Black Sea near Odessa it is still quiet. Now a few minutes before the start of the exercises, I am interviewing Valentin Ivanovich Varennikov, commander-in-chief of the USSR Ministry of Defense ground troops.

We are calling this an operational tactical exercise.

[Varennikov] Yes, this is an operational tactical exercise. Here where we are, on the training grounds, we can only observe Army and Naval actions, bearing in mind that beyond the training grounds we cannot see these actions. With regard to the command bodies, this is another question to be studied. But the area is defined—from Odessa to Nikolayev.

[Fateyev] I understand. But probably—I do not know whether this is a military secret or not—but nevertheless, what force of troops is in action here? What can you say about this?

[Varennikov] If we are talking about military units, then here in action there are a reinforced motorized infantry division, a reinforced airborne division, and a brigade of naval infantry, also reinforced. Plus forces expediting the landing of the amphibious assault force from the Navy forces, and the appropriate air-transport aircraft, military-transport aircraft, which are landing the airborne assault force. These are major forces.

[Fateyev] But nevertheless, there was no warning announcement of these exercises, as is usually the case now in international practice.

[Varennikov] That is correct. But the thing is that they are in fact within the norms stipulated by international agreements.

[Fateyev] What are you expecting the outcome of these exercises to be?

[Varennikov] We are counting on these exercises showing a sufficient level of training in the troops and Naval forces and in the command bodies.

[Fateyev] Valentin Ivanovich, do these exercises in any way relate to what is going on in the Near East?

[Varennikov] The fact is that these exercises are planned. They had been envisaged from the beginning of the training year, and all the events that have arisen now in the Persian Gulf area as well—they, of course, have absolutely no connection to these events.

[Fateyev] Mikhail Sergeyevich Gorbachev, USSR president and general secretary of the CPSU Central Committee, has arrived in the exercises area. Now the helicopters carrying him and the comrades accompanying him are landing here on the pad on the coast.

The chiefs of the exercises are acquainting the president with the operation plan, along with those accompanying him on this trip: Yazov, USSR minister of defense; Kravchuk, Gurenko, and Masol, the Ukrainin SSR leaders; and also the leaders of Odessa Oblast. [passage omitted]

[Fateyev] Mikhail Sergeyevich Gorbachev is coming down from the observer's post and approaching a group of soldiers and officers who distinguished themselves during the first stage of the exercises.

[Gorbachev] How do you feel? [indistinct voices heard]

How many years have you been in the Army? [indistinct voices heard] Officers should now in this situation, when we are in fact reforming everything and the whole of society is moving to renewal... [changes thought] It cannot be that our Army, which is itself from that society, linked to it, should hide somehow, somewhere under a lid. The process is going on here as well. This must be understood. As a result, I think, we will also have another Army: real, modern [words indistinct]. I will talk about this today. I will be speaking. A modern, real Army which would guarantee us life in peace, and not only us, but security in the world as a whole.

[Fateyev] After the end of the exercises near Odessa, they were transferred to another training ground near the town of Nikolayev. Airborne troops landed there and they were repulsed by ground forces. Then Mikhail Sergeyevich Gorbachev met representatives of various ranks of troops from the USSR Armed Forces and some participants of these exercises. Mikhail Sergeyevich Gorbachev gave a long speech at this meeting.

Inspects Exercise With Yazov

LD1708140690 Moscow World Service in English 1300 GMT 17 Aug 90

[Text] President Mikhail Gorbachev has inspected an exercise by the troops of the Odessa Military District and Black Sea Naval units in southern Ukraine.

INTERFAX reports that during the exercise there was a landing of sea and airborne (?troopers) involving the vessels of the Black Sea Navy.

The president was accompanied by Defense Minister Dmitriy Yazov and Ukrainian leaders. After the first stage of the maneuvers, Mikhail Gorbachev talked to a group of officers and men who distinguished themselves in the exercise. The president then met servicemen of the Odessa Military District and Black Sea Navy.

Council of Ministers Presidium Meets 17 Aug

Transition to Market Discussed

LD1808225190

[Editorial Report] Moscow Television Service in Russian at 1300 GMT on 18 August broadcasts an 85-minute report on the 17 August meeting in Moscow of the USSR Council of Ministers Presidium. The announcer begins by reporting that "on the 17th there was a meeting of the Presidium of the USSR Council of Ministers" and goes on to say that "we present for your attention excerpts from this meeting." Recorded portions of the meeting participants addressing the council are presented, interspersed with comments by studio correspondent Lev Vozneskiy summarizing the proceedings.

USSR Premier Ryzhkov addresses the meeting, saying: "Comrades, one question is being put forward for discussion by the Presidium of the Council of Ministers today: the results of the work of the commission to assess alternative versions for the transition to the market economy. I would like to remind you that on 21 June this year the Council of Ministers specially created a commission of leading scientists and specialists, of leading managers and production workers. Academician Abel Gezevich Aganbegyan was confirmed as head of this commission, as chairman of the commission, which was instructed to examine all alternative proposals that had come in and were coming in to the government and to other administrative bodies for the transition to the market economy."

The announcer then says that "taking part in the meeting were USSR ministers, chairmen of state committees and other central institutions, permanent representatives of the councils of ministers of the Union republics at the USSR Government, members of the commission to assess alternative versions for the transition to a market economy, chairmen of committees and commissions of the country's Supreme Soviet, and representatives of public and economic organizations and of the mass media.

"A detailed report on the results of the work of the commission was made by Academician Aganbegyan. He said that the commission had examined material that had come in from the USSR Supreme Soviet, from departments and commissions of the USSR Council of Ministers, from the councils of minsters of Union and autonomous republics, from ministeries and departments, from research institutes, in material by Soviet and foreign authors, in letters from citizens, and in a number of articles in the press containing constructive proposals."

Aganbegyan addresses the meeting, saying: "in the main, the overwhelming majority of the material that came in to us was on individual questions. There were special works on the problem of the convertibility of the ruble, and on the financial problem; there was a large amount of material on the investment complex, and there were quite a few special works on the consumer market, on monetary circulation. That is, we did not have at our disposal any sets of materials that one could call alternatives, in the full sense, to the problem of transition to the market. But if one takes all of this material together—and we approached it in this way—then they, of course, provide rich food for thought.

"To put it crudely, one can differentiate three major trends, and classify the material in this way regardless of the issues examined. There is one group of material containing a non-market concept: material which proposes improving the administrative system, subsequently going over to a market, but only to a market in goods. Everything else they consider capitalism. That is one group of materials which, in the commission's view, are fundamentally mistaken, though this group does also contain a number of valuable proposals: above all on stabilizing the present situation with the aid of administrative and other measures. But in their general thrust these materials are, in our view, not only wrong, but harmful, too, and are not in tune with the overall rather general consensus now on the need for switching to the market.

"There is a second group of proposals which might be described as market extremism proposals. They go as follows: The state must move aside and have nothing more to do with these issues; prices are to be deregulated and the market will regulate itself; the less state intervention the better, and this change has to be made immediately, as there is nothing to be afraid of—if you look at the black market the prices are not so dreadful. They will not get any higher. That, in a nutshell, is their concept—one that is fraught, of course, with the most unfavourable and part predictable, part unpredictable social repercussions, social repercussions in so far as it will cause a fall in living standards, and so on.

"And finally, most of the materials—the overwhelming majority, I would say—concern switching to the market with the state playing an active regulatory role."

Voznesenskiy then summarizes the proceedings of the meeting, saying: "After analyzing the materials sent to it, the commission drafted two reports: an assessment of alternative options for switching to a market economy, and recommendations on switching to market economic based on the assessment of the alternative options. Abel Gezevich Aganbegyan next spoke about the main areas

of the commission's work and about the new elements that distinguish the materials submitted from the government program promulgated in the spring of this year. The commission supported many of the alternative proposals, particularly those that might help to make the transition to the market as painless as possible for the bulk of society, and at the same time more radical and resolute in surmounting our existing state monopolism and administrative management structures."

Aganbegyan addresses the meeting: "We make special note of the need for immediate emergency measures to stabilize the economy as a specific precondition to make the implementation of market measures more painless. Unfortunately, we are late in implementing these measures—the economy is disintegrating before our eyes, existing economic ties are being broken, enterprises are beginning to come to a standstill, and production volumes are going into free-fall in some industries. This may end in us being plunged into chaos, chaos. There have been numerous instances of stabogage and transport blockades. The whole power engineering sector is in an extremely dangerous state in connection with the situation at many atomic stations, and so on. The chemicals industry is in a terrible mess, with dozens of enterprises at a standstill, and in general the situation is fairly dangerous.

"It is clear that if this chaos continues—and the autumn may be a very unfavorable period in this respect—the transition to the market will, quite simply, be made more difficult, and it will be immeasurably more painful for people. So it is in everyone's interest to stabilize as far as possible the system of economic ties above all, to prevent the closure of some enterprises while promising to look in more detail into their future. Special measures should be taken to perhaps place the functioning of transport, communications, and power engineering under a special regime, and the production of general-purpose items. Everyone realizes that if the ball-bearing works were to come to a standstill, for instance, what would the result be?

"Maybe a special commission with a broad remit should be set up to tackle these issues as they arise. It seems to me—or, to be more precise, it seems to our commission—that after things have been agreed upon with the republics, it would be necessary to promulgate a presidential decree and relevant decisions by the republics on this issue, because, after all, it is, naturally, not just in the interests of the center but in everyone's interests. If ties are ruptured and enterprises come to a standstill, everyone will be the loser. That is why a broad consensus may be arrived at here. Nor is it our view that it is necessary here to confine oneself to purely administrative measures. Broad use may be made here of incentives. As far as industries of special importance are concerned, steps may be taken to increase incentives and to take all manner of other measures to invigorate and preserve the existing ties. This issue must be specially elaborated, and we are now submitting it."

Voznesenskiy then remarks that "at the same time, not all proposals contained within the alternative variants met with support, to say nothing of unconditional support."

Aganbegyan continues his report: "We analyzed various other proposals. They boil down to the following. As far as consumer goods are concerned, rationing is to be introduced and all the other remaining prices to be freed, that is, made unconstrained, in line with trade run along commercial lines. One must realize that this is tantamount to at least a 30 percent lowering of the real income of the population. Why? Because you cannot by means of ration cards distribute physically more than 40 percent of output—this means that 60 percent would have free prices. You know what surplus money is. In the portion of 60 percent of output, prices will go up at least by 60 percent—it is easy to calculate; and a 60 percent price hike on 60 percent of goods means that real incomes will decline sharply. That is why on the surface it appears that this measure is in the interests of the population, but in fact that is the worst thing you could think up against the population. If you begin to compensate for this decline, it will then be necessary in commercial trade to up the prices not by 60 percent, but by more, the addition here being this additional sum of money you have set aside for the purposes of compensation. That is why it is our view that the problem of rationing is a very acute one, and it is the relevant departments of local bodies that must now decentralize it."

Voznesenskiy then says: "Those were a few excerpts from a lengthy report. Subsequently answers to questions began. Here are two extracts from this part of the meeting:"

Ryzhkov asks: "Did you take a close look at the proposals that were published in the paper, the so-called 400 days problem or the 500 days program? Did you look at this?

Aganbegyan answers: "Of course. Of course. One member of the commission appointed to you, Aleksandr Grigoryevich Granberg, a deputy of the Russian Soviet Federated Socialist Republic Supreme Soviet, who heads the relevant commission of the Supreme Soviet, informed us in detail about this, and gave us all sorts of additional data. He took an active part in our work. Therefore, we did some special work on this and tried, so to speak, to draw on this as much as possible, to take what we could. I even referred earlier to privatization. That is the strongest part of this program. But you have to remember that that is the program as it was then. It is different now. It goes in for a bit of sloganizing, to put it mildly—for the type of slogans put out at demonstrations, if you like. It is all very well to say that supplies will be guaranteed for every worker. Every individual will be guaranteed a house. But when you look further, you see that there is no foundation for all this. You have to tell us how to build this house, where the money's going to come from. You have to explain how supplies will be guaranteed, how you are going to organize it, and

what will be needed in the way of resources. But none of that information is given. Such slogans can be regarded as food for thought. This question can be considered. But simply going ahead and including these things is a different matter."

Voznesenskiy then says that "answering a question about how the state will regulate the process of switching to the market, Abel Gezovich stressed that this would only be possible if the center and the republics pull together. He went on to express the following ideas:"

Aganbegyan says: "Clearly, in our country, collective ownership will predominate. This is the way I see it. In this way we will be different from the capitalist countries, where private ownership based mainly on hired labor predominates. Therefore, distribution according to labor will predominate in our country. In those other countries, distribution according to capital predominates. Money makes money.

"For us, this will be a second source of income, but not the most important one. This is not the case for them. In such an economy, based mainly on collective property, the role of the state in the economy should be weightier than in other countries—but this weight should be manifested not at the expense of the administrative and directive methods, but by means of implementing a strong economic and social policy, particularly a policy connected with the changing of the economy toward welfare—social protection, as it is called. We do not at all like the word protection—for some reason in the way it has come to be used it frightens people—the word itself frightens people—and the market is a bogeyman that people must be defended against. In that case it is unclear why we should approach this bogeyman, if it is something to be defended against.

Ryzhkov says: "I think that we should take the blame for this on ourselves, as it was we who began to use this word. Evidently, we should have said social guarantees."

Aganbegyan says: "Do you know what the market is called in a number of capitalist countries, in the FRG for example? There the market is called the social market economy. It is stressed that this is a market economy in the interests of people. Although in fact it has been set up not just in the interests of people, but nonetheless...."

Ryzhkov adds: "Moreover, I too have noticed that in all the materials we receive it really is put like that—the social market economy—and were we right not to introduce this concept? We stuck to the regulated market, and then we end up with: Let us protect ourselves from the market. Why are we introducing it if we have to protect ourselves from it? Obviously, the main aim is, all the same, to find the ways in which the people can live better. That is the most important thing."

Voznesenskiy then goes on to report: "Fifteen participants in the session spoke in the discussion that developed after the reports. Beginning with Aleksandr Ivanovich Tretyakov, president of the Association of State Enterprises and Associations in Industry, Construction, Transport, and Communication, they all solidly endorsed the drive to transfer to market relations and voiced their opinions—critical views included—on individual clauses in the report."

Ryzhkov says: "You say that you need to free prices, agreed prices, so that prices become established of their own accord even though there are a lot of questions here. You have a monopoly: you can, as they say, impose and ask whatever prices suit you, and at the same time you say that retail prices should not be touched. How can these be connected? How can they? Explain it to us."

Tretyakov then answers him: "Nikolay Ivanovich, I'll tell you. You must listen to all of it, but I'll tell you.

"In order not to have monopolism, we have proposed—and you, Nikolay Ivanovich, supported this in your report to the Supreme Soviet—the introduction of a maximum permissible level of profit-making on the cost price of each type of product. In other words, restricting the price monopolists and preventing them from behaving like hooligans. This is a temporary measure, and once the market begins to operate, all the anti-monopoly laws will have been adopted—all this will be removed. This then will restrict the activities of all monopoly enterprises and create conditions for not driving up prices. The most important thing is that people should not be frightened like this today. Just look at our press: fifty million, forty million. Is there anything you cannot read? But surely, first of all, the comrades need to have explained to them why it is said that we have plenty of jobs in industry and, well, in the economy as a whole, in the service sphere—but no one goes on to give the other side: why we have to work second and third shifts, or why we cannot move from a forty-one hour day to a thirty-six hour day. Six hours and three shifts: that is an awful lot. Let us not frighten people. We must move over to the market. If you and I make such fuss, no doubt it will not happen.

"And several comments: what kind of market should it be, a union or republican? I am altogether amazed: We have spent 70 years creating the structure of the national economy, and have bound ourselves by links, the highest degree of cooperation in links, to the extent of 50-55 percent."

Tretyakov goes on to put forward the view that during the transition period the Union organizations should remain in control, with the issue of the Union treaty to be resolved once the situation is stabilized.

Veynberg, president of the Association of Joint Ventures of the USSR, notes the difficulties managers face in the existing legal environment.

N. Pugin, USSR minister of motor vehicle and agricultural machine building, stresses the vital importance of his industry, asking Aganbegyan how the abolition of the ministry would help to expand vehicle production.

Enterprises themselves have pleaded for the preservation of the ministry as a coordinating body.

V. Protasov, chairman of the Association of Industrial Enterprises of Moscow Oblast, called for the stabilization of economic links in a form that would promote progress toward the market.

V. Gerashchenko, chairman of the board of Gosbank, spoke about the impact of people's savings on the state of the economy.

Voznesenskiy then says that "from the speech by Arkadiy Ivanovich Volskiy, president of the Scientific Industrial Union of the USSR, I would like to single out the following:"

Volskiy says: "I believe that at least four factors must be resolved for a successful transition to the market. The first of these is private property. We probably ought to stop circling around this term in this most important document that is to be submitted—labor property, personal property, limited private or simply private property, and so on. Unless we cross the t's and dot the i's and announce at the tops of our voices that private property must exist and will exist in the USSR, unless we state that it already exists and stop closing our eyes to the fact, we will again end up with some cataclysmic scenes in the Supreme Soviet.

"Second—ruble convertibility. I also believe that the transition to market relations is impossible without ruble convertibility—impossible. It would all be beyond the bounds of reason otherwise. I have in mind, naturally, to start with, the internal convertibility of the ruble, begining by consolidating its worth.

"The third essential is a strong government. And all of us in this hall must realize clearly that without the government's support, without the measures that everyone in—well, not exactly in his job, but in his post, his public organizations—unless they exert the utmost effort for this—and we all have great opportunities—I think things will also be bad. We need support from the government and we must help it.

"Fourth, the issue of the all-Union market. There is a universal trend now toward separatism and disintegration. We cannot fail to see this. The republics are beginning—the permanent representatives are present here—to adopt decisions that are totally humiliating for the Union, for the ministries and industries. For example, the Ukrainian Gosplan has apparently issued instructions prohibiting Union enterprises from signing contracts with other republics."

Ryzhkov says: "Arkadiy Ivanovich, let me stop you for a moment. There is a document here that I wanted to read out at the end, but since Arkadiy Ivanovich has brought up the subject, I would like to simply read out this document passed by the Ukraine.

"To all heads of industrial enterprises located on the territory of the Ukraine. On the concluding of contracts for 1991. Given—this is in Russian but it is in Ukrainian here as well—given the need to enact the provisions of the declaration of state sovereignty of the Ukraine adopted by the Ukrainian Soviet Socialist Republic [SSR] Supreme Soviet, during the period of transition to market relations, we recommend, in concluding contracts for the delivery of production and engineering items with enterprises located on Ukrainian territory, that you be guided by current legislation. It is suggested that the concluding of contracts for the delivery of production and engineering items with enterprises in other republics be conducted through Gossnab of the Ukraine. The procedure for concluding contracts will be announced later. We recommend that until such recommendations are received, you refrain from concluding such contracts with enterprises and organizations in other republics. Signed by Mynchenko, chairman of the Ukrainian SSR Gossnab and Prityka, chief arbiter of the Ukrainian SSR State Arbitration Service. Thirtieth [day] of the seventh [month].

"So there you are—a document being adopted. And we are talking about the all-Union market, about concluding contracts and about not destroying our national economy. That is a document that was handed to me yesterday."

Volskiy addresses Ryzhkov saying: "Nikolay Ivanovich, that document is more of a challenge, in my view. It has nothing at all to do with the sphere of sovereignty; it is from a complete different field, that document. It is a case of someone simply wanting to sting. But there are more serious instances in which exports—decisions are adopted prohibiting exports, not only the concluding of contracts, but the prohibition of exports of, say, metal beyond the boundaries of the republic, banning the exportation of electrical engineering items. I could show you—the directors have been appealing to us and bringing in these things. This is even worse, because it is a case of contracts already concluded being paralyzed. So unless we come to our senses now and keep our heads, as it were—unless you, comrade permanent representatives, convey this to your governments—we might put the all-Union market in disequilibrium, and then nothing would be able to save it."

Ryzhkov comments: "I think we might not reach the market at all."

Volskiy adds: "We might not even reach a law."

Voznesenskiy then goes on to report: "Arkadiy Ivanovich then dwelt on issues connected with privatization of the economy, recalling that in Vienna, Austria, there is an international institute which is doing a profound study on the problem. Its materials must, of course, be used by our country as well."

Kolpakov, USSR minister of metallurgy, speaks next, stressing that there is support throughout industry for the transition to the market. However, he says, special care and a degree of regulation is required in the case of base industries such as iron and steel, which operate on

an all-Union basis of the interdependent units throughout the regions and republics. It is not enough, he says, simply to call for an end to subsidies—metallurgy is high in capital consumption—and the closing of loss-making or barely profitable enterprises. Who would, for example, wish to buy the Magnitogorsk combine? What would become of the towns—some with 600,000 residents—that have grown up around each major enterprise? Not all enterprises, then, would benefit from independence, he says. The all-Union designation of the industry's property must be retained. To ensure stable work, Kolpakov suggests a transitional period of several years as people get used to working in market conditions. The ministry could gradually take on new functions with corporations, associations, joint-stock companies, and so on retaining the same mutual links with republics and regions. Splintering the industry is counter to world trends, where taxation and price systems rather than location determine the fate of an industry.

Voznesenskiy then reports that "the meeting was addressed by Yuriy Dmitriyevich Maslyukov, first deputy chairman of the Council of Ministers, chairman of the USSR Gosplan"

Masylukov says: "Comrades, on the whole I think very highly of the work done by Comrade Aganbegyan's group in evaluating alternative options or alternative proposals which have been received by this commission and by the Council of Ministers, alternatives which are being worked on by all the Union republics. It was, of course, a difficult task to complete this work in such a short time. Speaking for myself, I can say that I have been reading this report with pleasure, because it does indeed make a very serious analysis of the proposals that have been made. Furthermore, it is very important to note that the commission not only analysed the proposals, but also made an appraisal of them. I was also very pleased to note the following: In general, in my view, the proposals made on 16 of the 18 sections making up the program are wholly acceptable.

"The question of ownership and the capitalization of ownership is treated in very sharp terms. It is too early at the moment to treat and formulate the question in this way, because society is not ready for this. It is not yet in the right frame of mind. We would quite simply be unable to get this through. It seems to me that, before talking about amendments to the laws on ownership which have only just been adopted, we should let some time elapse and then choose whatever further continuation is logical.

"The question of relations between the center and the Union republics has been treated in a serious and correct way. I would like to support it. Naturally, the solution is to be found in the consolidation of forces. I completely agree with the commission's view that there cannot be any alternative market—a republican market, or a two-tier market, or a market of some other kind—to the single, all-Union market. It is this united, all-Union market alone which should have open borders surrounding it, surrounding the Union. We should not erect barriers by building Chinese walls within the Union, thus opening up everything that remains to penetration by foreign investment—as we put it here here, for envelopment by the world economy.

"I want to end at this point. But first, Nikolay Ivanovich, I would suggest to the members of the commission's working group that we do some more work together. Let us use our opportunities to make more detailed calculations and to give full consideration to the constructive and useful things that there are in the commission's conclusions. We are ready to take part in such work."

Voznesenskiy then says: "The meeting was addressed by Boris Zakharovich Miller, member of the commission evaluating alternative options, first deputy director of the Institute of Economics of the USSR Academy of Science."

Miller says: "The great variety of contributions—and there were about 100 that we received—the positions of the authors who made proposals on various options for the transition to a market economy, their positions on organizational structures of management, can be grouped into four approaches.

"I would describe the first approach as liquidationist. In other words, there are very many proposals that we should without delay liquidate ministries and go over to a system of non-departmental structures, so as to create the organizational conditions, so to speak, for the transition to the market. The second group of proposals is, I would say, characterized by camouflage. Here it is proposed that we should turn the existing ministries into state-run concerns, retaining, basically, the entire system of links and subordinations. But this new structure would be enhanced by certain elements of democracy, in the sense that the board of directors and the presidents of these concerns would be elected, controlling councils would be established, and so on.

"The third group—I would call the group of changed subordination. That is, the matter in hand is that subordination to Union bodies should be replaced by subordination to republican bodies and, moreover, not only of those enterprises and branches of industry which are directly related to the consumer market and the production of ordinary civilian output but also defense branches of industry and base industries, that they be fully subordinated to the republics. I read here a proposal which we have received from the Ukrainian Council of Ministers where this position was mentioned today—not for the first time. Here, in the proposal, in the position which they sent to our commission it is stated: The preservation as state property and under all-Union administration of power system facilities, of long-haul train, air, sea and pipeline transport, of space systems, of the system of communications and news, of

base industries and defense branches of industry is unacceptable from the point of view of the interests of a sovereign republic.

"Thus, in this case we are also going back to the times of Ivan Kalita, when it was not yet a matter of gathering together states. It is quite evident that this does not have any relation to the mangement of the market economy and to the rules of the market economy because this represents the replacement of one administrative system by another administrative system—but already at the level of the republic. And finally the fourth..."

Ryzhkov interrupts: "Boris Zakharovich, we have been repeatedly speaking about this. During the last few months we have been saying the whole time that it is not a matter of subordination. Irrespective of to whom an enterprise is subordinate, it should participate actively in the economic and social life of the region.

"Why is such a distortion taking place? Or is it our old tradition—if I am the boss then I can issue commands. What is happening? You, as a scientist, you analyze these tendencies, I know that you do a great deal of work on management systems, you have published much work on this issue. What is happening? Surely it cannot be that it is not understood in the localities that it makes no diference to whom an enterprise is subordinated. Taxes need to be taken from it. What is due in accordance with the law needs to be taken from it.

Miller answers: "It seems to me that there are two reasons here. One reason is, of course, this heightened separatist concept of a republic's sovereignty and its place in the Union alongside the absence of a concept of what the Union and the all-Union market should be like, all the same. And the second reason, it seems to me, is that we have—and this needs to be, and people have already spoken about this today—a very weak concept of what the market economy is. Because if it was said today in the United States of America that the General Motors Corporation belonged to the state of Michigan or the Boeing Corporation belonged to the Washington-Seattle state [as heard], people would laugh, because in practice, this—the matter in hand—is not that this is measured by criteria which are related to the authorities. It is measured by the criteria of economic links, links with a direct relation, a direct relation between producers and consumers—a common market, and so on."

Ryzhkov interjects: "IBM, IBM has ten factories in Europe, ten factories producing personal computers, although it is situated in the United States. No one asks anyone else who it is subordinate to."

Miller resumes: "Moreover, Nikolay Ivanovich, very many U.S. corporations that have become transcontinental have transferred their headquarters to Europe. Even their central bodies are situated not in the United States but in Europe. But they pay their taxes in the United States. And while they are paying taxes in the states, they are also paying taxes into the federal budget.

"And so the fourth group is the group of parallel structures and of the gradual ousting by new structures, as it were, of old structures. Evidently, this is the path along which we should go, and which should be more profoundly elaborated. We are already witnesses not to the appearance of structures of a new type at the level of state administration—for example the state property foundation, or let us say the commission for the support of small enterprises or the anti-monopoly committee now planned. This does not mean at all that other structures need to be destroyed quickly now without realistic conditions for their being ousting having been created. It is for this reason that discussion is not of an elimination but of a gradual ousting of those structures which are already, which will not conform to the conditions for the introduction of a market economy."

V. Nikitin, first deputy chairman of the USSR Council of Ministers and chairman of the USSR Council of Ministers State Committee on Food and Procurement, then speaks, discounting the scare stories about the state of the farming sector. Food is short, but the country has never produced more, he says. Investment in capital projects, machinery and social infrastructure is needed for improved performance.

Voznesenskiy then continues his summary of proceedings. G. Chizha, president of the Leningrad Association of Industrial Enterprises and member of the Commission on Alternative Options, speaks about joint-stock societies, the rights of managers, and relations with local soviets.

Academician Velikhov, vice president of the USSR Academy of Sciences, discusses incorporation into the world economy.

Voznesenskiy then says that "the next to speak was Academician Leonid Ivanovich Abalkin, deputy chairman of the Council of Ministers and chairman of the USSR Council of Ministers State Commission on Economic Reform."

Abalkin says: "I think we have every reason to endorse the materials submitted by the commission. They give an objective and considered assessment of the alternative options and proposals and—I would like to stress this point—it is an independent assessment, carried out at a high level of professional competence by academics, specialists, and heads of enterprises, associations, unions, and so on.

"I think that the material presented enables us to draw a great many conclusions and to extract useful lessons for ourselves in the concluding stage of work on the government program. I would like to pause over several conclusions—not, moreover, on the details, but on more major issues, and to stress four of them. First, that analysis of all the alternative versions enabled the conclusion to be reached once again that there is no alternative to switching to the market, that no other way of getting out of the economic situation and the current crisis, and of creating a highly efficient, rational

economy directed at the consumer, is possible. There is no such version. The second conclusion is connected to the fact that the market we want to create must be a regulated market. It is not a 19th century market, but a market from the end of the 20th century. Only with a regulated market do we again have a chance to solve the social and economic problems that have accumulated.

"At this point I would single out two aspects in this understanding of the regulated market. It is, above all, a fundamental change in the methods of regulating and managing the processes of the national economy. It means influencing elements of the market: managing demand, managing the goods on offer, and managing prices. It is an entire arsenal of methods that the new management structures at the center, whatever these might be called, need to master—master the methods of economic management with the aid of taxes, an interest policy, a tariff system, and price regulation, and including the use of such a form as management with the aid of the state order or, in general, by working to state needs, which is also a method of regulating the market.

"The third conclusion that stems from the material is, in my opinion, linked to the fact that switching to the market in itself requires a transitional period, requires a transition that is connected to the duration of that process and its complexity, and the need to create certain preliminary conditions. The market cannot, in theory, function given a monopoly of one form of ownership. Large-scale denationalization is required, and although this is a lengthy process, a certain critical mass of conditions needs to be created nonetheless in a very short time, along with a sufficient number of cells and links belonging to different forms of property and different types of economic management, without which the market cannot function. It is from this that the urgent nature of these matters stems.

"The fourth conclusion that should, in my opinion, be drawn: I have said what the market is, what the regulated market is, what a gradually introduced market is, and the fourth principle is that success awaits us only along the path of creating a single all-Union market. This, too, is a fundamental conclusion being drawn here, and once we have said A, we have to go on to say B, C, and so on. So, a single all-Union market calls for the existence of a single monetary systemm, the existence of a single central bank as an issuing center—there cannot be 15 issuing centers, that is obvious. How the bank is managed, how its authority and rights are delegated, how a consensus is reached between all the participants in the Union—well, it has to be understood that without this a single market does not exist, just as there should be complete clarity on the matter of a taxation system.

"We cannot reject out of hand existing world experience and practice, which exist in all countries with federal elements—the United States, the FRG, Switzerland, and so on. There they have a system of federal taxes, province or state taxes, and local municipal taxes. It must be a unified system. We must be consistent advocates of democratism in this market, and recognize as its subjects independent, self-reliant goods manufacturers and entrepreneurs. We must ensure protection of free enterprise activity, including protection against incipient new forms of administrative command, because the main fault of many of the provisions mentioned here is that they are anti-democratic, anti- market, and purely administrative-distribution methods for solving economic tasks. On these issues both the government program and the interests, rights, and independence of labor collectives, unions, and associations that (words indistinct) are united. We are not chance bedfellows in this, but strategic allies in the program of transition to the market economy.

"In conclusion, Nikilay Ivanovich, I would say that the commission has fulfilled its task. In just over a month of intense work, it has fulfilled its task honestly and conscientiously, and the document we have is not the kind of thing we often discuss in the Presidium—coming from practical organizations—not only practical organizations even, but academic organizations. This is a serious document. It has fulfilled...(changes thought) With this meeting it completes its work. It has reported back, and we have thanked it and endorsed its conclusions. But life does not come to an end after this meeting of the Presidium, and we have to find methods—not the commission, but those who served in it, those brought into it, the academics, the scientific collectives, these associations and unions—should be offered the hand of cooperation for further work on the government program, so that we can organically incorporate everything of value in what has been accumulated in the common integral program so keenly awaited and so much needed by our country."

USSR Deputy Minister of the Railways V. Ginko is next to speak. He begins by denouncing the losses caused by the recent railway blockade in Georgia, placing them at R500 million."

Ginko says: "And now, Nikolay Ivanovich, we are confronted with the fact that in the next few days a major blockade of the North Caucasus Railway is expected, near the town of Kotelnikovo. This is being organized due to the alleged non-fulfilment—I know nothing of this, Nikolay Ivanovich, but this is what they say—of the government's promise to adopt a decision to halt construction of the Rostov Atomic Power Station. I had a talk with the minister, and they say that a ministry decision has already been reached and that orders have been issued, and so on. Things are only being taken as far as the construction stage, and there will be no start-up, and so on. But now certain forces are doing this work. The first date they set was the 20th, but now the local organizations there have worked together with them and a new date has been set: 3 September."

Ginko goes on to demand punishment for these campaigns.

Voznesenskiy then states that at the end of the session, Nikolay Ivanovich Ryzhkov, chairman of the USSR Council of Ministers, spoke.

Ryzhkov says: "I think comrades, I will be expressing the common view of the Council of Ministers Presidium and, indeed, of those members of the government present, the comrades invited from public organizations and the heads of enterprises and academics here at our session today, when I say that the material submitted by the commission is fairly weighty and solid, and I think that with all its shortcomings, as discussed by the comrades here, it provides us, of course, with a foundation for use in drawing up the government program. I think the assessment given here was correct: the commission has done its work very well. So I think that despite the fact that, as Comrade Aganabegyan reported, there is no integral alternative program—no integral program—there are individual alternative proposals on individual fundamental provision and sections of the government concept, and I think that this will also allow us to look very seriously into various sections of our government program.

"Today's discussion has passed beyond the boundaries of a simple discussion of the alternatives submitted for examination, but this is natural. We are discussing today probably the most topical issue, one that worries all of us and our whole society, and, therefore, each speaker spoke not only about the documents we have reviewed or the reports we have received but we spoke in general about the problems that must be tackled or what we will come up against in the transition to market relations. So today's discussion has been very interesting and, most importantly, extremely necessary.

"On Monday, we are meeting here with the chairmen of the Councils of Ministers of the Union republics to discuss certain fundamental aspects of the transition to the market.

"In the first instance, what very greatly concerns us—and I will speak about this further—is the foreign economic activity of our country, several issues of foodstuffs supply, as well as a number of fundamental issues, including the fact that we need to evaluate how the economy will develop in 1991 under the new conditions.

"Gosplan calculations have been made now: one variant, a second variant. This means, therefore, that we, together with the chairmen of the governments of the Union republics, need to consider very carefully what awaits us. I will submit a proposal to the Presidium of the Council of Ministers that it approve the report which was presented to us by our comrades, that it approve the work done by this group headed by academician Aganbegyan, and that it entrust the working group—Comrade Maslyukov, Comrade Abalkin, and a certain number of our other specialists are members of this working group—with making the maximum use of these materials when they are finishing work on the program, the governmental program which we must present on 1 September. I think that there are very many interesting thoughts which must definitely be used, very many. In my view, it was quite rightly noticed in the material presented to us and in today's speeches—and we also sense this in the letters and telegrams and in the meetings which we hold in the Council of Ministers or in the localities—that in the concepts which were presented by the government in May, of course, very little was devoted to social issues. Evidently there were certain distortions. That is, perhaps in the first instance, glances really were cast toward price mathematics, that is toward the price angle. This is natural. And, therefore, the fact that during recent times we have been continually carrying out extra work on social protection, I am all the same still using the old word although we criticized it today, saying that we evidently need, as it were, to find a new terminology.

"But all the same we must, and we are doing this—in those documents which are being adopted by the government and in those speeches and news conferences which are being held by members of the government—you drew attention to the fact that we have been working to the maximum degree during these months on issues of the social protection of people. Our main task, after all, is comprised of this, and evidently this shortcoming was also our shortcoming when we submitted the concept. I think that this is also a shortcoming of the mass media bodies. It is a shortcoming of everyone, that we have frightened people with the market.

"Surely we should understand in the final analysis why we need the market, after all nothing at all needs to be done to worsen life and the situation. Nothing needs to be done. It, life, will gradually get worse. And that's that. The logic here is of the most simple kind. Nothing needs to be done. It is rolling downhill today and will continue to roll further. So we need to find other paths. Other paths have been formulated here, like the transition to regulated market relations. And we recently met a group of our sociologists headed by Tatyana Ivanovna Zaslavskaya, and we conversed for a very long time about the phenomenon that people do not understand very well what the market is and often, that is to some extent, really do compare it with the collective farm market. And at the same time, two-thirds, two-thirds of the workers, two- thirds of the population support the transition to the market. What has caused this? This is caused in the first instance only by the fact that people are attempting to find new forms of management, new forms of life so that it is improved. This is the main thing. And our task, evidently, is to find such mechanisms, such measures of social protection which will allow this to be done.

"For this reason we need to create the possibility within market relations for man's talent to be tapped, for his capacities to be tapped, so that a capable man may live better and so that a talented man may live better. At the same time, we should never forget that in addition to talented people, in addition to high class experts, we also have simple people in our country who do not possess

such talent. We have, afer all, pensioners, we have disabled people, and we have children in our country.

"Our concern is for these people. We want to protect them properly, to make quite sure that they don't suffer. So, I think that the latest decisions are fairly justified. As the program is refined—and very substantial refinements are being made to it right now—I think we will find that this question has been reflected in a special way.

"Another question aired today is one on which I cannot avoid dwelling. This is the question of starting conditions. We all understand that progress will depend to a great extent on the start we make, on the positions from which we start. If we start from good foundations, we will definitely take off, as they say. We will make progress. If, on the other hand, our foundtions are shaky, if they are upset in some way, it will be very difficut for us to set up a market on these shaky foundations.

"Some of our speakers today actually went so far as to suggest that if the refinements are too substantial, we won't even begin the switch to a market economy. There is truth in these bitter words. There is truth. As each month passes, we sense how the situation in the economy, the affairs of the national economy as a whole, are steadily deteriorating—deteriorating the whole time.

"There are objective reasons for this. We don't currently have hard currency. We are not able to pay for goods that are delivered, for deliveries of raw materials of all kinds, so that our industry can work in a normal way. As each wagon of supplies arrives at the factory gates, it's unloaded and fed in, literally. This is an objective problem and we have to do everything possible to solve it.

"But, comrades, you have heard what the first deputy minister of the railways had to tell you just now. What is objective about that state of affairs? What country would let that happen to its railways? The railways are sacred in any country. You can do what you like as long as you don't harm the railways. We are harassing the railways the whole time. Last year it was the Transcaucasus in September—you remember what happened. Now it's Georgia—the recent events there. We can't go on this way.

"There are other examples, too. Production today is really beginning to grind to a halt. The balance of the national economy is being upset. Comrade Kolpakov spoke more today about the economy. He did not talk about production. I think he was right to do so. But just two days ago he spoke bitterly about this. He was irritated, one could say. He decried the fact that he is having to halt metallurgical production, because in one place after another coke batteries are being shut down. Blast furnaces will be left without coke in the end.

"Let us take chemical plants. Chemical plants are being shut down all over the place. Comrade Bykov is seated here. He is the minister of the medical industry. Just ask him. How many factories are closed at the moment? We now have a shortage of even the most simple medicines in the country. We are not able to purchase them. The amounts we are able to buy are equal to what could have been produced at the plants we are now having to close down in our own country. Can we really live this way?"

Voznesenskiy then reports that Ryzhkov went on to say that Odessa City Soviet of People's Deputies recently decided to completely close the port works and to substantially reduce the volume of output from the Tolyatti nitrogen production association exported through it. Voznesenskiy says Ryzhkov contends that this will lead to the complete shut-down of one of the world's biggest producers of ammonia and mineral fertilizer, and to the immobilization of basic assets worth over R1 billion—or, with pipelines, about R2 billion. He says Ryzhkov says this will make it impossible to settle debts owed to foreign partners and will halt major chemical enterprises in the Ukraine and Russia.

Ryzhkov continues: "All in all, comrades, we must think again. We must consider what we are doing to the country. Either we do in fact destroy it, cut it to pieces, or we genuinely do intend to improve the economic situation. After all, living economic arteries are basically being cut. It's only our great state, with its truly massive potential, that could withstand such things. Any other state would have succumbed long ago. The fact that we are still alive and working after being shaken this way just shows what reserves of stamina we have.

"The next question is the political climate in the country. I consider that the political climate created and being created now in the country will definitely influence the transition to a market economy. We are aware that self-determination by the Union republics is a natural process. We really must create conditions for the Union republics to have as much independence as possible, for them to be sovereign states. But we have always believed that there must be a single state—a single state. What in fact unites it is the economic context. That is why the question of a single economic market is a very pointed one today. I support categorically both the report that has been presented to us and the speeches made today: Almost every speech was devoted to the theme that our single economic market is beginning to be destroyed.

"If we actually opt for the creation of two-tier markets, that is 15 independent markets, and then some sort of relations between these markets, I think that will be the end of any economic reform on our part, and the economy would be set back many years. I declare this with responsibility. We have to reflect before adopting such decisions. We must not act like that.

"Comrades, we must—we inhabit a single state—we must not usurp the functions of the Union republics, we must not usurp the functions of the local bodies. Quite right, everything is greatly centralized. But evidently, as in any state, any federal state, the rules of the game must be uniform, if I can put it that way, there must be

uniform rules of the economic game. If the basic rules of the game are not uniform, normal work will be impossible. You will be aware of the way our work is proceeding this year. There is this imbalance. So you can't take the preparations for 1990 as a standard, particularly as we are now switching to market relations. Roughly 60 percent of material resources will be transferred horizontally. Previously someone was tying the whole thing together. Today we have to seek ways.

"So, comrades, we now have to reflect very seriously on matters connected with 1991, and I appeal to the heads of both ministries and departments and to public organizations about the need to tackle these matters today. If we do not make preparations for 1991, we will end up in a most difficult predicament.

"There is one thing I cannot agree with in the proposals expressed in the report. Many spoke about this today: Comrades Gerashchenko, Abalkin, Maslyukov and others. It is proposed that in the course of nine months, nontraditional methods of tying up money should be used—that is, to put this money somewhere—and only after that should we embark on a reform of price-setting. In my view, we shall find ourselves in a very difficult predicament, a worse position than we find ourselves in today. It is even unrealistic from the psychological point of view. We don't understand what shares are. People don't understand shares. They haven't been printed yet. The whole system still has to be worked out. And this is an inertial process.

"Don't think that we can say today: Comrades, buy shares!, and immediately, the next day, they will have been bought. If we were talking about cars, then yes, they will have all gone by the morning, no? But shares are something new for us. So I understand the good intentions behind these proposals, but it seems to me that to use this as the basis, to put this at the basis of our economic tactics for next year would be a big mistake. We must pursue this in parallel.

"The amount we succeed in tying up, the maximum amount of money we tie up—this will be good for the state and for economic revival. But if we dodge a reform of price-setting again, I think we shall end up in a trap here, it'll simply be a trap. I realize that it is an unpopular thing. But without wholesale prices (reform) we shall not get the economy moving. That is perfectly obvious. We would then have to postpone the whole economic mechanism until 1992 or certain subsequent years. Without procurement prices (reform) we shall not get agriculture moving.

"To tackle these two problems without tackling matters to do with retail prices would mean exhausting the country, it would mean running on idle. So we have to proceed, in my view. Comrade Senchagov today reported to the Presidium in broad terms on how he saw the new understanding of the reform of price-setting. In the near future, we will make a final decision. Evidently, it will be a more flexible attitude than the proposals in May. The comrades have worked on this a great deal.

"Come what may, we have to go along with this, to agree to compensation and all kinds of defense mechanisms. But, clearly, if we sever the connection between these two processes, everything will be ruined.

"Very many speakers made the point that without foreign capital, it will really be very difficult for us to go over to the market. We must attract foreign capital. I wish to inform all those present that yesterday we tabled a draft law on foreign investment at the Supreme Soviet. I don't know whether the Supreme Soviet will accept it or not. It will be discussed by the commissions and committees and then by the full Supreme Soviet. Its examination is always painstaking. However, we consider that we cannot rely on joint enterprises alone. It has been suggested here that joint enterprises would only yield between R200-300 million. We have to find other forms. We have tabled proposals that would allow our country to build subsidiary enterprises or even independent enterprises entirely funded by foreign capital—entirely. If some firm needs to build a factory, the local authorities—either in the republics or the Union as a whole—will study the application. The sequence of events—who does what, when—will be decided on. Let them build factories in our country. They will produce equipment and the rest is obvious, as they say. We will buy or, if we don't, they will export the output to other markets. But we have to accept this. We have to accept it. We have tabled this proposal and I wanted you to know about it.

"The comrades who spoke here were right to say that the transition to the market will be a lengthy process, a lengthy process. It won't take months. It will take years. It will take us years to get through the various stages. We really don't have the infrastructure. We don't have the experience. It all lies ahead of us. We have to get acquainted with all this. We have to learn the hard way, as they say. We have to accumulate experience and reeducate cadres. So, it's an illusion to think that we will switch to the market in a single day. It's an illusion.

"Last, I would like to make an appeal to the mass media. Television is present here today. Correspondents from many newspapers in our country are present. I would ask you to give the maximum attention now to precisely this question. I realize that the government is preoccupied, so to speak, with day-to-day business. We can never get away from this. Such is life. Everyday we have to sort out dozens of conundrums. But during this time we really do have to get ready for the transition to new economic conditions, to a regulated market. I appeal to the mass media to give us as much help as possible with this, to explain it to the people, to tell them what it's all about. We have to give the people confidence, comrades. We have, as they say, already frightened them enough. We have to explain that this is the solution to the problem. If

we do, people will understand that we really can solve the questions of socioeconomic life which are bothering us so much, so to speak.

"Let's adopt roughly the decision which comrades have been speaking about. I have given you my thoughts on the matter. If nobody has anything else to say, I shall now wish you great success, comrades, and say goodbye."

Ryzhkov Urges Approval of Results

LD1708203990 Moscow TASS in English 2016 GMT 17 Aug 90

[By TASS correspondent Andrey Orlov]

[Text] Moscow August 17 TASS—Some 90 ways of the transfer of the Soviet economy to a market-oriented system were examined by a commission created late in June specially for this purpose. A session of the Presidium of the Soviet Council of Ministers was held in the Kremlin today which was addressed by Academician Abel Aganbegyan, head of the commission, who spoke about the results of its work. The session was presided by Prime Minister Nikolay Ryzhkov.

He said that the commission had rejected both the proposals aimed at saving the command system and those aimed at the immediate introduction of market relations. Preference was given to a way of the transfer to the market-oriented system with the preservation of the regulating role of the state.

In comparison with the concept, worked out by the government previously, the commission suggested that greater emphasis be laid on the social sphere, the acceleration of transformation of the property relations including the permission of private property and, which is especially important, on the stabilisation of the credit and financial sphere before starting the reform of price fixing (unlike the price growth together with the preservation of the state control over prices proposed by the Council of Ministers).

Academician Aganbegyan believes that financial stabilisation can be achieved by the next summer with the help of the expansion of the payment sphere, the privatisation of economy, the growth of bank interest rates, the blocking of channels of the growth of budget deficit, the issuing of securities and the growth of the production and imports of consumer goods. After that it will be possible to implement the price fixing reform.

According to Aganbegyan, a land reform, including the liquidation of the state monopoly on procurement and the giving up of administrative control could also bring quick results.

Those who participated in the debate supported on the whole the conclusions drawn by the commission. Viktor Gerashchenko, head of the USSR State Bank, said that deferred demand was worth 105 billion rubles at the beginning of the year, including 47 billion in cash. This is why the privatisation of economy is possible only on a very limited scale, he said.

Appeals were made at the session to rehabilitate private property as soon as possible and to make the ruble a convertible currency.

Summing up the results of the discussion, Ryzhkov suggested that the session should approve the results of the commission's work and that the government working group should take them into consideration when finishing the program which is to be completed by September 1.

Meeting Described as 'Fruitful'

LD1708160690 Moscow Domestic Service in Russian 1430 GMT 17 Aug 90

[Text] We have just received a report that the session of the Presidium of the USSR Council of Ministers, at which the report by the chairman of the commission evaluating alternative options for the transition to a market economy was discussed, has ended in the Kremlin.

The commission's work has shown that we do not have a real alternative to the government program in the country now, although this program has now been supplemented by a whole series of valuable proposals taken from the documents examined. The conclusion drawn by Nikolay Ivanovich Ryzhkov after the discussion of the report notes that the commission has done a great deal of fruitful work, and many of its proposals will be taken into account in the course of further work on the government program.

Ryzhkov Speaks on Harvest, Market Economy

LD1808143190 Moscow Television Service in Russian 1747 GMT 17 Aug 90

[Address by Prime Minister Nikolay Ryzhkov on the "In the USSR Government" program; place and date not given—live or recorded]

[Text] Esteemed comrades, I would like to devote this latest meeting of ours primarily to the worrying issue of harvest work. Over the past week the pace of harvesting work has increased and the gross grain collection now stands at 115 million tonnes, which is 25 million tonnes more than last week. Around 35 million tonnes have been procured for state resources, which means there are 7 million more in the state granaries than last week. We are delighted by the yield, which is up on last year's by 6.4 quintals per hectare.

Virtually all oblasts in the European part have now begun harvesting. They are working hard and the harvest campaign is gradually moving eastwards to Kazakhstan and Siberia. We realize that the weather in those areas is always unpredictable and that one can expect anything,

so it is there more than anywhere else that we must make special preparations for the harvest.

A fight or battle to bring in the harvest is now getting under way in Kazakhstan. And I'm not afraid of that word, though many are now critical and say that battle is an old concept. But I think that where the grain harvest is concerned these words are also applicable. Now, in a matter of days, as it were, we have to bring in the harvest, bring in what the farmers' labor has provided us. Kazakhstan is making very serious preparations for the harvest. Some very active and detailed work is being done there both by the republic president and the Kazakhstan Council of Ministers chairman. They are doing a lot of preparatory work and machinery is being dispatched to that area. I have already mentioned that our Ministry of Defense has dispatched 45,000 vehicles. There are now 15 battalions, vehicle battalions, approaching Kazakhstan. In literally a few days time they will get down to work and render active assistance.

What other positive developments are there? We are satisfied with the way every labor collective in the country has responded to the appeals from the government and the public.

At present about 200,000 manual and office workers are toiling in the country's fields. About 600,000 students have also responded to the call. The situation is of course getting better. If one speaks of motor transport, 160,000 vehicles from enterprises alone are at work at the present time. In addition, 80,000 motor transport units have been sent for general use. Transport is now providing very great assistance.

While over the past week we threshed 10 million hectares, in order to cope with the harvesting in the optimum periods we need to achieve 15-18 million hectares weekly. Then we will be able by the end of September to complete the harvest with minimum losses.

The government has to be engaged daily in these matters. Together with the Union republics Councils of Ministers we track everything that is hampering harvest work.

A new decision has been made to send additional fuel for the countryside. The day before yesterday the Council of Ministers signed the instructions. We are sending 600,000 tonnes of gasoline to help gather the harvest. This will, of course, have an effect in other places, moreover since this year we have reduced our extraction of oil as compared with the same period last year by 16.5 million tonnes. Therefore I understand all the difficulties that are now arising in getting fuel for the private sector and state vehicles. But now we need to select what is most important. The main thing now is to harvest and it is essential to direct fuel and other material resources to this area. I think that these actions are correct and we need to support them in every way.

We can also say that fodder storage has changed. Last time I said that we were seriously lagging behind in this area. Over the week the situation has improved and we hope the situation will gradually be rectified so that we can store sufficient fodder to provide for livestock during the winter.

The involvement of cities and work collectives in harvesting work also permits us to draw more optimistic conclusions for the vegetable and fruit harvests.

The situation at the moment is changing. It is getting better. That notwithstanding, we know that in many towns there is still a shortage of fruit and vegetables and it is now a question of taking what has been grown. And local administrative bodies must now adopt the most urgent measures, so to speak. We are working on proposals to involve civil aircraft and Ministry of Defense military transort aircraft as much as possible in the delivery of fruits and vegetables, particularly to our country's northern regions and northern towns. Everything is now going to depend on the efficiency with which we act.

To conclude this topic I would like to say that of course the most enormous amount of work lies ahead but our task today is to mobilize everything we can to bring in this unprecedently abundant harvest. You know, I read with much satisfaction the appeal by Patriarch Aleksiy, published in RABOCHAYA TRIBUNA newspaper. Here is what he said. Let all the disagreements and disputes cease at least for the time being to enable us to bring in this harvest properly. So I appeal again, comrades: Everything must now be done to assist the countryside and to enable us to gather the harvest fully and improve food supplies to our population.

The second matter I'd like to dwell on today is drafting the government program for the switch to market relations. We brief you every Friday on the way this work is proceeding and what decisions we are adopting. But I'd like to remind you again that on 1 September the government has to present this program to the Supreme Soviet. We have now embarked on the most crucial stage. We have to work out all the provisions very seriously. At the same time, in parallel, we are working on, and will present it to the Supreme Soviet, laws to expand on specific provisions of the program. We consider them every day, and as they become ready and as they are discussed, we submit them to the Supreme Soviet. We discuss fundamental matters with the Union republics Councils of Ministers.

Next Monday we are assembling an expanded session of the Council of Ministers Presidium with invitations to the Union republics chairman to discuss some of the most important and fundamental problems of our program of transition to the market.

The USSR Council of Ministers Presidium session examined a report by the USSR Council of Ministers special commission to consider alternative proposals. That commission, as you know, is headed by Academician Aganbegyan. He reported on all the proposals. I won't dwell on this matter because I believe some excerpts from the session will be shown on television

shortly and you'll be able to see how the session went, and above all, what proposals were submitted and what can be used from the alternative proposals to enrich the government's program.

I would like to say something about a very serious problem which worries me very greatly as head of government. This is the question of economic separatism. I understand that very big changes are now taking place in our country. Decisions are being made to expand the independence of Union republics. This is a natural process and can only be welcomed here. But unfortunately sometimes elements and tendencies of economic separatism are served up as the foundations of economic independence. I think this is something we've got to look into very seriously.

For decades the country has been creating a single national economic complex, taking into account the development of the production forces of this or that region, taking into account natural and climatic conditions. That was natural. Of course big mistakes were made and today we see that some regions have been overloaded with industry, some regions don't really have enough jobs—as has been done, say, in Central Asia. These are mistakes that need to be rectified. But a national economy complex has been created and we must bear this in mind.

So when we speak of our economic relations we must always remember that we have very strong mutual links with one another. I would like to again quote certain figures showing how mutually dependent we are. The proportion of imported products in the total volume of consumption in Armenia amounts to 31 percent; in Estonia 29 percent; in Georgia and Moldova 28 percent; in Lithuania, Latvia, and Tajikistan 27 percent. Even in large republics like the Russian Federation and the Ukraine, the proportion of imported products in the total volume of consumption is 15 percent and 17 percent respectively.

Therefore it is possible to adduce many further examples showing how integrated the national economy is. The government's position is that we should use our advantages from such a capacious all-Union market. Our position is that the main producers of goods are the enterprises and organizations. They are the main producers of goods and they must trade and deal with all goods producers and customers throughout the Soviet Union. That then is the foundation. At the same time, as I have already said, tendencies are developing which advocate setting up particular markets, local markets—say, a Moldavian market or a market in one of the Baltic republics. This, you know, brings about a position in which this exclusivity does not allow us to use all the advantages of coordinated supplies.

After all, the whole world is now moving toward expanding markets. Look at what is happening in West Europe. Processes are under way for all countries to amalgamate economically so that these advantages may be used for each country individually and for the community as a whole. Obviously our task is to make use of an all-Union market. In this event each enterprise and each republic will have great advantages and will avail themselves of their advantages.

I am firmly convinced that sooner or later those regions which are presently striving for exclusivity—and we can already see this in practical affairs with some republics introducing special customs services and adopting decisions prohibiting the export of goods or other restrictive decisions—this is of course leading to a situation where we may destroy the all-Union market. We will come to understand this, but we will understand it through large-scale economic costs.

So this is seriously worrying us. I would say that in the government program we are now working on laying the foundations for a single all-Union market, a single market not one that is fragmented into separate pieces. We consider that herein lies the very great strength of our unified state, in which republics and sovereign states will find their place. Together, of course, we will obtain very great socioeconomic benefits.

Another matter. Roughly 130 days remain until the end of the year—that is, a little over four months. In 1991 the country is due to work in different conditions—in the different market conditions that are coming into being. We therefore need to prepare for this work.

We are very worried, very worried, that preparations for the new year are going extremely slowly. We understand that very big processes are taking place today, consultations are taking place on the Union treaty. We see that this is a lengthy process, that there are a great many questions that must be answered. So evidently there will be a lot of discussion. It will take time and 1991 will soon be upon us.

So we must pay special attention to 1991. We have the foundations for the national economy to operate in 1991. at the third Supreme Soviet session such basic laws were passed as the law on the taxation of profits and other laws which provide a basis for determining which way the national economy and each enterprise in its own economic life should go in the coming year. Regrettably we tend to take a negative attitude to many of the decisions that we've been making—that this is a bad law, that it is no good, that we need a new law. Well, I undrstand that every law needs to be perfected. That is dialectic and that's evidently what will indeed happen. But today we have the law and it must be carried out. If we don't carry out the law that was passed two or three months ago, then how are we going to live in 1991? I believe that this is altogether impermissible. We must be guided by the decisions that have already been made. We must make the decisions that are required if the national economy is to work. After all, the country has got to live.

While we're solving the big, major political issues, the country can't stand still. The situation today is such that signing a contract, or contracts, between one enterprise

and another makes up only about 20 percent. [as heard] We have taken the figures for last year for this date. We had at that time—more than 40 percent of the contracts had been concluded, though we feel that in 1990 there will be many unsolved problems with joint enterprises.

So if we drag our feet here we could find ourselves simply unprepared for 1991. That must not happen. Or take another issue for 1991, say, formulating budgets. you know that beginning next year formulating budgets will be done differently. There will be a Union budget, a central budget, there will be the Union republic budgets, local budgets, which will be drawn up on a different basis.

All of this is proceeding very slowly now. We have been checking on the state of affairs in oblasts and krays and we feel that people do not know how to formulate the local budget and on what foundations to do it. But comrades, while it is possible to argue about some theoretical questions, one cannot leave, say, the local bodies without a budget, which affects all aspects of social life in our country and affects schools, hospitals, culture, and a numnber of other matters that are linked with the daily lives of our population. Therefore we need to more rapidly determine our position so that work on the formation of budgets can really get under way and so that people understand what they have at their disposal and what they can do next year, especially to socioeconomically develop regions.

Comrades, we are all witnessing and participating in a very large-scale politicization of our society. Obviously this is a natural process, but at the same time we must not forget that our daily lives will to a great extent be determined both by the people's attitudes and by the general situation in society, including the democratization of our society. Therefore what is happening in the country at present, with lower labor discipline and less discipline in deliveries, is of course having a very strong effect as a whole on how the national economic complex functions. It is therefore of very serious concern to us. Therefore I appeal to everyone. Along with the fact that we need to tackle major political and sociopolitical issues we must not at the same time forget about our everyday concerns. Every day we should think about how the country is faring, how the people are faring and how they will fare in the future. I think that is the main task at the present time.

I would like with this point to conclude our get-together. All the best until we meet again.

Yanayev Discusses CPSU's Foreign Policy

PM1808150090 Moscow PRAVDA in Russian 16 Aug 90 Second Edition p 4

["Own information": "Official Announcement"]

[Text] G.I. Yanayev, Politburo member and secretary of the CPSU Central Committee, held a news conference for Soviet and foreign journalists at the CPSU Central Committee press center yesterday.

The topic of discussion was CPSU international activity. The theme was covered in some detail in G.I. Yanayev's PRAVDA interview on 13 August. It was continued at the press conference in the form of a live dialogue with representatives of the press.

There were many questions about Iraq's aggression against Kuwait, which led to an abrupt exacerbation of the situation in the Persian Gulf. The dialogue also touched on the problems of the world workers and communist movement. As for the CPSU Central Committee's interparty ties, the main thing here, according to G.I. Yanayev, is to develop and improve them on the basis of cooperation and mutual understanding without any interference in internal affairs.

Answering a question about the selection of cadres for work abroad, G.I. Yanayev noted that this was a matter for ministries and departments. The main selection criterion is professional qualities. As for membership of the CPSU, it will not be an obligatory condition. In his view, the practice of appointing former party committee secretaries to Soviet embassy staffs should give way to appointment by election from among the staff of Soviet missions abroad.

MVD Reports Widespread Firearm Thefts

PM1708141190 Moscow PRAVDA in Russian 17 Aug 90 Second Edition p 6

[Unattributed report under "USSR MVD Press Center Reports" rubric: "Under Threat of Arms"]

[Text] Up-to-the-minute reports indicate that weapons are sought-after booty for all manner of criminals. The teleprinter has just carried new alarming reports from various regions of the country. After breaking bars and smashing a window, criminals in Vladivostok stole ten carbines with bayonets, and two smallbore TOZ-17 [Tula Arms Plant] rifles from the Primorpromokhota state industrial establishment stores.

The following information has come in from the Ukraine's Odessa Oblast: Four criminals burst into a kolkhoz worker's home 15 August in the village of Malaya Toporovka, Frunzenskiy Rayon. Threatening the woman with a sawed-off gun, they stole three hunting guns belonging to her husband, the team leader of a hunting collective. Two hours later on Moldovan territory, militia personnel arrested Turashnikov, a cab driver; Bordiyan, a kolkhoz [collective farm] tractor driver; and the unemployed Solovey in a taxi. In addition, Landesman, a worker from the Odessa City Repair and Construction Trust, was arrested. One gun has been confiscated. A search is under way for the other criminals.

An operation was conducted on the same day in the village of Ruisi in Georgia's Karelskiy Rayon to arrest

raiders who burgled the procurement point chief's house the day before. One of the three criminals was killed in the exchange of fire, two succeeded in making their escape. A Nagant revolver was confiscated along with five rounds of ammunition.

Here is a report from the Azerbaijan SSR's [Soviet Socialist Republic] Agdamskiy Rayon. A GAZ-53 [Gorkiy Automobile Plant] automobile from the Mardakert motorized transport enterprise carrying the mail along the Mardakert-Stepanakert Highway was stopped in the village of Kyangyarli. Movsesyan, the senior courier accompanying the freight, was killed and stripped of his pistol and eight rounds of ammunition. The attackers fled as an Internal Troops detachment arrived on the scene.

The situation in Armenia is still uneasy. A regulation pistol along with 16 rounds of ammunition was stolen in Spandaryanskiy Rayon in the absence of the occupants of an apartment belonging to a militiaman from the local rayon internal affairs department patrol and postal service.

A group from the Mstitel [Avenger] informal organization armed with automatic weapons infiltrated the Yerevan television center 14 August, threatening the use of weapons, and demanded that a video recording of their activity be relayed. The group left the television center after television personnel promised to put it on the air. The next day armed men blockaded the television center for the same purpose. They threatened to blow up the building and deal with the militia detachment guarding the television center. The attackers dispersed after talks with Armenian Supreme Soviet deputies and law-enforcement organ leaders.

Economic

Effects of 'Hard Currency' Resolution Viewed

PM2008104590 Moscow PRAVDA in Russian 17 Aug 90 First Edition p 1

[Article by M. Gurtovoy under the rubric "People Are Talking": "A Pound of Rubles for a Dollar"]

[Text] Skilled thriller writers have taught us over the decades that you only sell your motherland and your soul for hard currency. Everything else is sold for rubles.

I took the liberty of making this introduction in order to stress that a free supply of foreign currency in the USSR is not only an economic but also a psychological and social problem.

In July the country's Council of Ministers decided to improve—effectively, to permit—retail trade and the provision of services for foreign currency. To put it crudely, it was decided to form a "Trading House" from the wreckage of the "Berezka," which was to be a paradise of profusion for those with hard currency. Moreover, no one has the right to ask this celestial being the following question: Do you earn admittance to heaven by means of an upright working life?

Thus government financiers wanted to bring into the state's coffers the billions of dollars illegally circulating within the country. But in the opinion of experts, this is striking a definitive blow at both the ruble and the commodity market.

The purpose of the government's August resolution on the formation of an all-Union hard currency market is to soften this blow.

At present, hard currency is bought and sold for rubles at special auctions, but a hard-currency exchange is to be in operation as of the new year. That is, enterprises can buy freely-convertible currency with the rubles in their accounts, spend it on new equipment and technology, send directors on "fact-finding jaunts," and give workers pantyhose and walkmans. But what is to happen to those people who work say in schools, hospitals, or libraries?

Private individuals have simply not been given the right to buy hard currency. Admittedly, I can point out a loophole. Private individuals were allowed to set up small enterprises almost at the same time as the "hard-currency" resolutions came about.

But that is enough of that. I am sure that most of my fellow citizens will not set up any establishment specially to buy up hard currency. It is the specialists who will do this—hard-currency speculators who have passed from the hardest school in the world, our "black market." We will be forced to buy a dollar from them in critical situations—for medicine, for birthday presents—in exchange for 50 to 60 rubles. This kind of jump in the exchange rate has already been recorded. And what is more, we feel ourselves to be criminals. After all the relevant article of the Criminal Code is so formidable.

The artificial barrier between the ruble and the legalized dollar represents a clot in our economy's blood vessels. Everyone must have access to hard currency, must be able to go to the bank and buy it, undoubtedly at a floating exchange rate which reflects purchasing power. It will still be lower than the illegal exchange rate. Otherwise we would have to weigh out a pound of rubles for one dollar.

Benefits to USSR of Oil Price Hikes Viewed

90UF0457A Moscow RABOCHAYA TRIBUNA in Russian 12 Aug 90 p 3

[Article by A. Bushuyev: "Oil and Dollars"]

[Text] It is fashionable today to shout about poverty, but I venture to state the reverse. We are rich.

We strew the roads with grain. We bury tomatoes in ravines. Coal burns on the slag heaps. We are in a planned manner bringing the water of Baykal, the world's biggest fresh-water lake, into line with the all-Union standard. This is a great deal of water. Even a very

wealthy man could not permit himself such extravagance. Consequently, we are wealthier than the wealthiest.

We have oil also. The reserves are considerable, it has to be said. We sell some of what we produce overseas. That which goes to the Western market brings in foreign currency, much foreign currency, and even more in recent days in connection with the Iraq-Kuwait conflict.

Oil is a strategic raw material. And there is no one on the world market who does not need it. For this reason its price soared from $19 a barrel (7.5 barrels per ton) on 30 July, that is before Iraq's invasion of Kuwait, to $24 the day after the start of combat operations, and as much as $29.80 was being paid on 7 August (50 percent more than prior to the conflict). The price has now once again fallen to the $24 level.

Why the increase occurred is perfectly understandable. The United States, the EC, and Japan imposed an embargo on supplies from Kuwait and Iraq. The latter was forced even to close down a branch of the pipeline via which it drove oil to Europe. There were no customers. A second was closed by Turkey having joined in the sanctions against the aggressor. Without particularly going into details, I will say merely that a number of Western specialists estimate that the embargo could have quite a painful effect on the West's economy. And the Soviet Union could increase its currency receipts by $7 billion which is the equivalent of our entire trade deficit for 1989. In the opinion of one Soviet expert who asked to remain anonymous, we have to speak only of the price of oil, benefited in the present situation. However no one can vouch for the high prices lasting for any length of time.

There is another aspect here also: The amount of the oil currency is directly dependent on the level of development—to be honest the backwardness of our oil industry. Only an amateur could demand a sharp increase in the volume of supplies of oil to the world market. Not to mention the fact that this would bring about a lowering of the price since no state is capable of immediately compensating for the disappearance of the two major suppliers. Even less are we capable of this. Remember the pipeline accidents. The rhythm of supplies depends to a considerable extent also on the capacity of the storage tanks at the ports, and in our country this is slight. The oil shortage on the world market will nonetheless be compensated, but without us.

We will obtain our share of the profits, but somewhere inside there is a gnawing doubt muttering: "Are you not embarrassed by the circumstances in which we are obtaining the profit?"

KAZ Joint Stock Company Builds New Trucks

PM1908145290 Moscow Television Service in Russian 1430 GMT 12 Aug 90

[Report by L. Khatayevich, A. Klyan from the "Vremya" newscast]

[Text] [Announcer] Our correspondent Leonid Khatayevich reports in his series of reportages on moves to turn the KAZ [Kama Truck Plant] into a joint-stock company. Perhaps this will help the enterprise to produce the kind of trucks which are so badly needed by our national economy.

[Reporter] Take a closer look, please. This is the new KAZ truck. But before this and similar trucks have made their appearance here on the roads of Naberezhnyye Chelny something else had to be gone through—thousands of kilometers were clocked up across the African desert. The testing ground was one of the most prestigious rallies in the world—the Paris-Dakar rally. Many features were tested in the most rigorous of conditions. The new trucks have a powerful turbocharged 260 horse-power engine, and an excellent cab as you can see, with adjustable seating and steering column.

Then there is also this kind of KAZ truck. It has been dubbed Kommunalnik [municipal services truck]. With its powerful takeoff, the truck can operate in conjunction with a range of attachments needed by municipal services from snow clearance to road sweeping. There is also this KAZ bus for rigorous northern conditions.

The scientific and technical center where the new models are designed is gearing the KAZ main production line to consumers' interests and the standards of the competition. The new range of trucks takes account of the main stipulation of the international market—the trucks must be biaxial rather than the triaxial trucks which were built with our bad roads in mind.

Could the new trucks which we have just seen be described as a new range of KAZ trucks?

[S.S. Yakubov, director of the KAZ scientific and technical center] Of course. These trucks are part of a new range of biaxial trucks. The prototypes of all these trucks have already been manufactured and have undergone the appropriate tests. Some of them are already on the production line. In principle we can assemble any version of our biaxial trucks in accordance with clients' wishes.

The transition to a joint-stock company presupposes that we will pay our way, and this new range of biaxial trucks is intended for marketing abroad in exchange for freely convertible currency.

[Reporter] Could we have a test drive now?

Lack of Incentives Spawns Inefficiency in Mines

PM1908141090 Moscow Television Service in Russian 1700 GMT 14 Aug 90

[Report by G. Kondaurov from the "Vremya" newscast]

[Text] [Announcer] The situation in the Donbas mines is still alarming.

[Kondaurov] Miners at the Panfilovskaya Mine received their July wages very late. Bonuses and various subsidies are not paid here or at the neighboring Kuybyshev Mine. No payments are made for housing construction or for the upkeep of social facilities since the enterprise does not make a profit. There is no money in the economic incentive fund. This is all because the mine works badly, it only fulfills the plan by 63 percent. Many mines and production associations in the Donbas now scarcely make ends meet. The number of people turning up for work, for the shift, has sharply dropped. In some areas productivity has dropped by a factor of 1.5 to 2. Consumers are failing to receive many million tonnes of coal from the Donbas. Miners are asking: Why are they not given timber to reinforce the mine workings, spare parts, and new equipment, and many other things that are supposed to have been received according to ministerial schedules of allocations?

[A.N. Tupikin, member of the Donetsk City Strike Committee] Our resolution No. 608 is not being fulfilled—this says that funds should be allocated for all this. Some 70 percent of our equipment is scrap and does not work....

[Kondaurov] At your mine?

[Tupikin] Yes, at our mine. Therefore everything is falling to bits, there is just no incentive now for people to work. Even if they have money there is nothing to buy. We don't know what will be the result of the transition to this market economy which, our government says, will take place 1 January 1991. Some unprofitable enterprises will be forced to shut down. What are people to do then? This question has not yet been resolved, by our Ministry of the Coal Industry among others.

[Kondaurov] Probably the most important point today is that new coal prices are needed in order for mines to become autonomous, in order for collectives to work autonomously.

[V.Ye. Dubovyy, mine labor collective council chairman] New prices don't solve anything. We need new norms, new rates because we are now employing norms and rates that were set up at the beginning of the century. They must be revised. That is, there is no effective autonomy for enterprises and enterprise subunits, on the one hand. On the other hand, there is not even any incentive for people to earn money because there is nothing—no faith in and no prospect of a future. We don't know what's the point of our having this money if there's nothing in the stores.

BAM Timber Zone Not Meeting Requirements

PM1908142890 Moscow Television Service in Russian 0830 GMT 15 Aug 90

[Report by N. Vidonov from the "Vremya" newscast]

[Text] [Announcer] Our correspondent in Irkutsk describes the development of the timber complex in areas adjacent to the western sector of the Baykal-Amur Railroad [BAM].

[Vidonov] The main traditional freight from Irkutsk currently traveling along western parts of the BAM on the East Siberian line is timber—lumber, railroad sleepers, boards, industrial wood chip, and raw materials for the Bratsk and Ust-Ilimsk pulp production units. Lenales Association enterprises annually manufacture and ship to various parts of the country 800,000 cubic meters of timber—not enough at present. The Western BAM raw material base makes it possible to double or treble the timber procurements as planned. But the timber complex in this vast, rich region is unfortunately developing very slowly. Thus the Zvezdnyy Tayuzskiy timber procurement establishment with its settlements under construction has only attained one-third of its rated capacity in five years.

Although the enterprises are themselves coping with the plan and all areas of work are going well, nonetheless the economic return is not very great. The extremely modest profits received do not make it possible, using their own resources, to develop the complex production at an accelerated rate. It is now that their own ministry and the quite familiar Irkutsklesprom Association could help them in restoration work. But they are still deaf and indifferent to the needs of the Tayuzskiy timber procurement workers. It is a shame, especially since the new timber procurement establishment was conceived and formed as a modern enterprise where virtually all operations are mechanized, and this attests to far greater potential than now exists.

Lack of coordination alone is an extremely considerable factor at the moment. The timber procurement establishment's raw material base is located in two neighboring rayons—Kazachinsko-Lenskiy and Ust-Kutskiy Rayons. The Kazachinskoye leadership engages in a kind of racket, demanding sizeable payments in return for the allocation of timber cutting areas—hundreds of tonnes of meat—and where are the foresters to get that from—and 300,000 rubles a year. We say that timber is a national asset. Irkutsklesprom will settle this quite solvable problem when the time is right—this is probably the most acute problem. These are the kind of shacks in which timber procurement workers live—more correctly, freeze to death. The temporary structures have long since been written off but there is nowhere else for people to go. All hopes are pinned on the new well-equipped settlement under construction. But it is being built literally at a snail's pace. The reasons being poor funding and a shortage of construction workers. A vicious circle. But it must be broken. And the sooner the better.

Tiraspol Foundry Hikes Output, Lowers Pollution

PM1708114290 Moscow Television Service in Russian 0830 GMT 13 Aug 90

[Report by S. Sergeyev and G. Kononov from the "Vremya" newscast]

[Text] [Announcer] The first phase of a new iron foundry has come on stream at the Kasli Machine Building Plant—the oldest enterprise in the southern Urals.

[Reporter] The equipment installed is Soviet-made. It was designed by the Scientific Research Institute of Special Casting Methods and manufactured by the Tiraspol Casting Equipment Plant. Despite the fact that the line's productivity is four times greater than the capacity of the entire former shop, it produces four times less pollution. It is no surprise that the Japanese have obtained a license from our country to manufacture this equipment. The shop incorporates a recycling water supply system and now the casting process will not contaminate the local reservoir. Special moisture filters in the dust collectors clean the air in the building. And soon a system will begin operating to biologically clean the water of dissolved harmless gases. Labor productivity is immeasurably higher and you get less tired. It's only a pity that there are so few examples of this kind of approach at enterprises in the southern Urals. After all, it is high time that all foundries were made clean—all the more so as the equipment acquired by the Kasli machine builders is in series production. It can be ordered from Tiraspol.

Schoolchildren Help at Electronics Plant

PM1708114690 Moscow Television Service in Russian 0830 GMT 13 Aug 90

[Report by I. Latypov, V. Bezmenov from the "Vremya" newscast]

[Excerpt] [Announcer] A rather unusual plant has started operations in Kazan.

[Reporter] This enterprise has been built and fitted out with equipment by the Elekon Production Association. If they so desire, higher-grade schoolchildren can work—and are already working—here in the summer vacation. During term time, students from several schools with which the plant has patronage agreements will be working here. The administration and the party and trade union organizations at Elekon have undertaken such major expenditure for the following reasons: In the rayon where the association is located many higher-grade schoolchildren from the families of workers and employees are at a loose end during the summer. And it is no secret that people are very reluctant to hire children for temporary work. This has become a social problem. The association intends to make the school plant a reliable economic partner in the production of complex electronics. The higher-grade students are equal to the task. But it is also no secret that Elekon is pinning its hopes for a stable labor supply in the future on the plant. There is a training course at the plant. And the schoolchildren can obtain qualifications. [passage omitted]

Project Builds Electricity-Producing Windmill

PM1708120890 Moscow Television Service in Russian 1250 GMT 14 Aug 90

[Report by G. Klimov, A. Senin from the "Scientific Bulletin" show's "Conversion News" section]

[Excerpt] [Reporter] The direction of the wind can be gauged from these smoke trails from the Pridneprovskaya GRES [state regional electric power station]. Burning low-grade coal, this station is one of the main sources of air pollution in the Ukraine. And the wind carries the GRES' pollution over Dnepropetrovsk and far into the surrounding area. But here in the Pavlograd area the same wind is bringing some benefit: it produces electricity. It is here that a wind power-unit manufactured by the Yuzhnoye Science and Production Association with the participation of specialists from the Vetroen Science and Production Association is being tested. Until quite recently the Yuzhnoye Science and Production Association was cloaked in secrecy. It is the birthplace of space equipment. This unit, manufactured thanks to conversion, contains high-technology equipment and has sophisticated aerodynamic contours. It starts operating automatically given a wind speed of six meters a second. The windmill's developers worked as seriously and responsibly as they used to do when designing space launchers. The work was headed by Doctor of Technical Sciences and Lenin Prize winner Vladimir Ivanovich Kukushkin. [passage omitted]

Economic Measures at Sverdlovsk Oblast Viewed

PM1708150890 Moscow Television Service in Russian 1430 GMT 14 Aug 90

[Report by E. Erkomayshvili from the "Vremya" newscast]

[Excerpt] [Announcer] Since the beginning of the year an economic mechanism based on self-management and self-financing, that is based on elements of economic accountability, has been undergoing trials in Sverdlovsk Oblast.

[Erkomayshvili] The quest for additional extrabudgetary funds, their own income, is the main area of local soviets' economic activity. So the course was taken of setting up small enterprises under ispolkoms [executive committee]. This usually involves collectives of several dozen specialists whose sphere of activity includes scientific research, design work, and the introduction of their developments. For instance, the Diatomit [as heard] scientific engineering center has developed technologies for the extraction of light, economical construction materials from local rock; they have found interested clients. Vacant premises and plant workshops

after hours have been leased to research and manufacture the first samples. The Resurs Science-and-Production Association has, for instance, begun to manufacture a series of machines to produce dowels from waste timber products. New consumer goods have also begun to appear like household radio receivers, car burglar alarms with transmitters. [passage omitted]

Agricultural

Ryzhkov Discusses Harvests, Tours Oblasts

Expresses 'Optimism'

LD1708212790 Moscow TASS in English 2117 GMT 17 Aug 90

[Text] Moscow August 17 TASS—The pace of grain harvesting and state grain procurements has considerably risen over the past week, Prime Minister Nikolay Ryzhkov said here today. This adds optimism to forecasts for harvesting.

Speaking on the "At Soviet Government" program over Soviet television, he stressed that the gross grain output has already reached 115 million tonnes, increasing by 25 million tonnes this week.

The state procurement reached 35 million tonnes or seven million more over the week. The grain yield is higher on average by 6.4 metric centners per hectare than last year.

Ryzhkov noted the positive result of governmental measures to assist the countryside with labour and machinery, including aid by the Army.

He said at the same time that the present rate of harvesting—ten million hectares last week—is insufficient. It is necessary to harvest at least 15 million hectares to complete the harvesting by the end of September with minimum losses.

Ryzhkov told TV viewers that the government decided on Thursday to dispatch another 600,000 tonnes of fuel for harvesting needs.

This will tell on the situation with petroproducts in other sectors since the oil output in the USSR dropped by 16.5 million tonnes this year.

Ryzhkov expressed concern over economic separatism appearing in republics. Noting the present deep division of labor between republics, as well as the worldwide trend for expanding markets, he called for using advantages of the capacious all-Union market.

The government program for switching to a market economy, which is now being drafted, is based on such a market.

Views Ryazan, Tula Oblasts

LD1808175390

[Editorial Report] Moscow Domestic Service in Russian at 1500 GMT on 18 August broadcasts a five-minute report by correspondent Lyudmila Semina on Chairman of the USSR Council of Ministers N.I. Ryzhkov's visit to Ryazan and Tula Oblasts on 18 August.

Semina begins her report by saying that "Nikolay Ivanovich Ryzhkov today visited two successful farms in the Non-Chernozem Zone. He visited the famous and outstanding Lenina Collective Farm in Tula Oblast headed by Vasiliy Aleksandrovich Starodubtsev, Hero of Socialist Labor, people's deputy of the USSR, and chairman of the country's Peasants' Union. He also visited the Novaya Zhizn State Farm in Pronskiy Rayon, Ryazan Oblast." Semina outlines briefly the history of the latter farm which has now improved its work beyond recognition.

Answering correspondent Seminova's question as to why Ryzhkov decided to visit the best farms, RSFSR Minister of Agriculture and Foodstuffs Kulik replies that it was decided to show Ryzhkov the potential of the Non-Chernozem Zone. Seminova then reports that "this is what Nikolay Ivanovich Ryzhkov had to say" whereupon a recording of Ryzhkov's remarks is broadcast.

Ryzhkov says: "This is the first time that I have visited this oblast. I will tell Comrade Starodubtsev here that the trip pursues two tasks. The first one is to have a look at his farm. After all, three years ago a Council of Ministers' decision was signed to the effect that an agro-industrial association of this kind should be set up in this rayon—the first in the Soviet Union. Naturally it is interesting to have a look at what has taken place since that time. Second, he is the chairman of our Peasants' Union and evidently the second task, the other reason for our meeting, is to have a chat with him in his capacity as the leader of the Peasants' Union so that we can see his way to voicing certain issues that evidently concern our peasantry. He is dutybound to do it, it is his duty, otherwise he will not be reelected.

"I would generally like, of course, to visit other regions of our country to have a look at how the harvest is proceeding there. My view is that nature and the peasants' toil gave us an unprecedentedly good harvest this year. On the one hand it is very pleasing and I hope that we will get more grain, and evidently we will have more vegetables and fruit than was the case in years past. On the other hand it is a major test of our strength, of our work skills.

"At present everything must be geared toward gathering in the harvest. We are grateful to work collectives, we are grateful to the country's population, and we are grateful to the students for their very serious response to the government's call to help the countryside now. At a time when the harvest is being gathered one must not be preoccupied with quarrels, one must not drive a wedge

between the town and the countryside; it is impermissible and amoral. This is my position, and it is my view that the turnaround has already taken place in the country."

Speaks on Harvest Situation

LD1808195390 Moscow Television Service in Russian 1700 GMT 18 Aug 90

[Remarks by Nikolay Ryzhkov, chairman of the USSR Council of Ministers, to correspondent Dmitriy Kisilev in Svezheskosheniy field in Ryazan Oblast on 18 August; from the "Vremya" newscast—recorded]

[Text] I hope that we will receive more grain, and evidently we will have more vegetables and fruit than in recent years. But this is a great test of our endurance—how are we able to work. When there is a small harvest there are certain concerns, when there is a large harvest there are also major conerns. But I am convinced that now things in the country are going very well and I view this optimistically.

I would also ask the mass media, I would ask all the citizens of our country to approach from these very positions. It is necessary today to direct everything to gathering in the harvest.

It is possible to criticize and evidently it is necessary to criticize, and I think that there are very many defects, but the most important thing today is nevertheless the consolidation of these forces. It is necessary today, for example, to say in passing: "Look at our valiant Army, it is giving lorries, it is doing good work, and I think that it is necessary to say thank you to it, to the Army."

And where army battalions are standing still—sometimes before a battle they stand still for two or three days, and in this instance we are driving all echelons to Kazakhstan. We are acting correctly. In two or three days there will be a large harvest operation there. And like all strategists, we are obliged to move up our forces.

Defends Government Actions

LD1808200190 Moscow Domestic Service in Russian 1800 GMT 18 Aug 90

[Text] Nikolay Ivanovich Ryzhkov, chairman of the USSR Council of Ministers, visited Ryazan and Tula Oblasts today. He visited the fields of the Pronskiy Novaya Zhizn and the Tula Bolshevik state farms where he familiarized himself with the course of the harvest and had meetings with those who live there. He expressed detailed interest in how they live, how services are organized, and how their own plots were getting along.

Everywhere, at every meeting with those in charge, with rank-and-file workers, and with journalists there was a most serious talk about problems that have come to a head and the harvest above all. Should town dwellers be involved in agricultural work? Yes, Ryzhkov's view was categorical here. The prime minister stressed three times that to set the town off against the countryside now was amoral. It is necessary to consolidate.

Many are now criticizing the government for returning to the administrative and command system. But what is to be done, asks Ryzhkov in reply. Should the government sit twiddling their thumbs and wait for the harvest to rot? The government has now mobilized 46,000 military vehicles to take part in the harvest. It is with much understanding that soldiers are approaching this important matter, but one must not scoff at it when writing about it, Ryzhkov told journalists, because it is tantamount to a lack of respect for the toil of the land cultivator and a lack of respect for the Army.

Never have we had a situation such as this—there is no need to make such an issue of the topic of the gathering in of the harvest. It is a sacred cause. There are public speaking venues—you can go there, have your say, argue and dispute—but do not touch what it is a sin to touch, he says. He adds: "Harvest and bread are not the topics which can be used as small change in political games."

Agricultural Developments Reported for 15-17 Aug

LD1908042390

[Editorial Report] The following is a compilation of reports on agricultural developments in the USSR carried by Moscow Domestic Service in Russian on 15-17 August, unless indicated otherwise. Times of broadcast, given in GMT, are in parentheses at the end of each item.

15 Aug

Guoda Litvaitiene reports that according to the statistical department, 60 percent of grain crops have been cut in the Lithuanian Republic. It is expected that this year's yields will amount to about 3.5 million tonnes. On the average, about 35 quintals of grain is obtained per hectare. According to the adviser of the Department of Agriculture, Stanislovas Polikaitis, this year's yields are good. The harvesting is difficult though due to the fact that large, unproductive combines of poor quality are engaged on the fields. It is true there exists a new and more productive generation, but the republic's farms are not able to purchase such expensive machinery. According to Polikaitis, although the yields are good the republic will be short of grain this year too. It has been estimated that at least 700,000 tonnes of grain will have to be purchased. This will not be easy because the Soviet Union is also short of grain and its price is very high. Richer farms are unwilling to complete agreements with the state. It is more beneficial for them to keep their grain for seeds or feed to the animals. This year the number of agreements with the state on the delivery of grain has declined by half as compared with last year. To date only 200,000 tonnes of grain have been sold to the state compared with about 300,000 tonnes last year. There is yet another reason hampering the sale of grain to the state. Businessmen from other Union republics

pay our farmers 800 rubles [R] per tonne, while the state pays only R300. Coercion and sanctions cannot be applied here, therefore the only way is to interest the farms financially. Thus the purchasing price of some kinds of grain should be raised. (Vilnius International Service in Lithuanian 2100 GMT 15 Aug 90)

16 Aug

Harvesting of early grain crops, sown on 1.3 million ha, is underway in Altay Kray; more than 30,000 trucks will be taking part. (0900)

The USSR State Statistics Committee reports that cereal and pulse crops have been harvested on almost 40 percent of the total sown area in the country. The pace of harvesting work has significantly increased in the past week. Average yields are 28 quintals ha in the RSFSR, 37.6 quintals ha in the Ukraine, and over 30 quintals ha in the country as a whole. Since the beginning of August the Ministry of Railways has fulfilled its grain transportation plan by 120 percent. But this is still too little; wagons are still in short supply in the Odessa, Southern, and Volga branches of the railway. (1500)

Harvest work in Kazakhstan is being held up by a lack of fuel. Farms are using heavy truck-and-trailer combinations to cut down gasoline consumption. (1800)

17 Aug

In a report from a Kustanay Oblast collective farm, a correspondent says that "almost 8 million tonnes of grain are ripening in the oblast's fields". (Moscow Television Service in Russian 1430 GMT 17 Aug 90; from the "Vremya" newscast)

To date, Lithuania's farms have sold to the state nearly 400,000 tonnes of grain. From this quantity, over 200,000 tonnes are allocated for the baking of bread products and over 130,000 tonnes are for the production of combined fodder. But the republic needs over 600,000 tonnes of grain. Corresponding departments are looking for ways of purchasing grain in various parts of the Soviet Union. (Vilnius Domestic Service in Russian 1500 GMT 17 Aug 90)

Ryazan Grain Harvest Campaign Termed 'Difficult'

PM1708115290 Moscow Television Service in Russian 1430 GMT 13 Aug 90

[Report by S. Nomerotskiy from the "Vremya" newscast]

[Text] [Announcer] Harvest-90. The battle for grain is once again under way in the fields. Some oblasts have as you know already declared a state of emergency. These measures are, of course, necessary and correct in this situation. Nonetheless there is concern, as it were, that we should not forget in the heat of the present battles for the harvest the need to fundamentally resolve the problems of the countryside, to improve the peasants' living conditions, change economic relations in the countryside, and sensibly organize the production and processing of agricultural produce. Otherwise we will have to resort to military terminology again next year. Our correspondent from Ryazan and Kuban now reminds us of this once again.

[Nomerotskiy] The fields of the Ikimovskiy [as heard] Sovkhoz [State Farm] are located on slopes. [passage indistinct] An extremely difficult harvest has begun. Grain has ripened a month later than usual and, what is more, it is lodged. It is good grain—40 quintals per hectare. Combine operators are working tirelessly, doggedly, carefully. Straw is shredded in many areas and plowed back in; it fertilizes the land. There are fields with such a high yield that only the Don-1500 combine can cut the grain at the moment without loss. The grain is once again wetter after the rain.

[N. Gerasimov, sovkhoz director] We have good drying facilities. We have no problems with these. We can process something in the region of 200-300 tonnes per day. We have our own machine operators for harvesting and plowing as well as harvesting straw—that is we can cope on our own. We do not bring in motorized transport for the harvest either. My opinion has always been and remains that it is of course best to have your own transport, your own machinery and transport in order never to have to turn to the cities for help. We primarily need to build housing and create conditions for people in order to ensure that people work and earn good wages, rather than looking to factory work. That is certainly the most important thing.

[Nomerotskiy] Not everywhere in the Ryazan area is coping with the grain unaided. Many farms are in dire straits, they lack combine operators, tractor drivers. People are needed for various harvesting jobs. Ryazan has not sent the countryside enough motor vehicles. But the grain growers have a harvest to deal with. The state order for grain will, of course, be fulfilled although the harvest campaign is difficult. The oblast has set about boosting field crop cultivation. Three years have passed. The grain fields are far more generous now. Everything in the fields goes to the [agro-industrial] complex. Everything is done in accordance with scientific advice and experience in order to ensure that the soil does not become exhausted and that the future harvest is a source of delight.

Kuban Agro-Industrial Plant Produces Foodstuffs

PM1708115890 Moscow Television Service in Russian 1430 GMT 13 Aug 90

[Report by V. Golubev, V. Obraztsov, and Ye. Velichko from the "Vremya" newcast]

[Text] [Reporter] Six years ago, August 1984, the Kuban experimental agro-industrial combine was set up in Krasnodar Kray's Timashevskiy Rayon—a unique rural concern comprising kolkhozes [collective farms] and

sovkhozes [state farms], elevators, processing enterprises, and trading outlets, the aim being to produce high-quality finished foodstuffs and sell them at realistic prices.

[M.M. Lomach, Kuban agro-industrial complex general director] There was a very difficult period when we did not know how to advance, what path to take. We ourselves worked out the principles that we would be guided by and sought advice at central level. But today things have become considerably easier for us. Economic relations have grown. A work system has developed—primary production units, kolkhozes, sovkhozes, processing enterprises, and trading outlets. We have already incorporated them into a single unit. Today we are ready for any economy, especially a market economy, since we have developed a mighty potential. Today we can produce any output and can compete on the market, not only on our internal market but also abroad.

[Reporter] On-site processing of agricultural products was made a priority. It cannot, after all, be denied that losses today total up to 45 percent. Yet here at the agro-combine literally everything is put to use. Kuban's range of goods totals more than 80 named products ranging from pork shanks to confectionery.

[Lomach] The existence of complexes of this kind which organize extensive processing of output and produce a range of foodstuffs constitutes economic effectiveness; we obtain good profits from processing. We are able to expand processing, build housing and sociocultural and welfare facilities, and so on.

[Reporter] But the land is still the basis of everything. This year, even given the unprecedented harvests, the agro-combine's achievements seem simply staggering—more than 65 quintals of grain from each of the 43,000 hectares and, note, not a single tonne is wasted. It has its own elevator plant and storage system. That is how one of the models of the agrarian economy operates. I should say that it includes both major livestock units and individual private farms.

Inadequate Storage Facilities in Kazakh Rayon

PM1708120490 Moscow Television Service in Russian 1430 GMT 14 Aug 90

[Report by D. Baimbetov from the "Vremya" newscast]

[Text] [Announcer] It seems that the subject of the grain harvest will cause us disquiet for a long time yet this year. And this during a bumper harvest year. On the one hand we consider TASS reports to be cheering. For instance, Belgorod Oblast's farms have bombarded the granaries with 0.5 million tonnes of grain. Or take Kurgan where grain has begun to flood into the granaries. But the news from other regions is depressing now. Look at the report from Kazakhstan's Ural region where grain deliveries to the state are becoming a serious problem.

[Baimbetov] These are the fully-fledged, tight ears of grain that have grown on the grain fields in Uralsk Oblast. Moreover, one must take into consideration the fact that Dzhanybekskiy Rayon where we shot this film is situated in a bleak semi-desert area inhospitable for crop farming. Hence an average yield of more than 16 quintals per hectare is a rarity in these parts. No grain storage facilities were built here for a long time. Today the capacity of the sole elevator, built more than 60 years ago, can barely meet the needs of one or two sovkhozes [state farms]. Storage areas, weighing equipment, and all the elevator's other equipment have long been dilapidated. What kind of grain quality can you expect in these conditions? This elevator has received 46,000 tonnes this year although its capacity is 13,000 tonnes. The flood of grain is continuing to grow. As you can see, piles of grain are growing in the elevator's open areas which have not been asphalted yet. The Volga Railroad serving Dzhanybek Station is providing an irregular supply of freightcars. There is also a shortage of motor vehicles. Volgograd Oblast's elevators which are near at hand are also refusing to take Kazakh grain. There is nowhere to pile the grain. This is compelling them to ship grain hundreds of kilometers away into the heart of the oblast.

What is the rayon doing in this serious situation?

[S.K. Uspanov, chairman of Dzhanybekskiy Rayon Soviet of People's Deputies] We have elaborated a schedule for grain shipments so as to cause virtually no congestion for the drivers. Something has been worked out to help the elevator collective. All the rayon center's establishments and enterprises are sending 20 or 30 people each to work here and help deal with this grain every day. You can see that we still have 6,000 tonnes of grain lying in the open air.

[Baimbetov] What percentage of the expected grain has already been accepted?

[Uspanov] In the rayon to date we have threshed 67,000 hectares, that is 60 percent of our territory. We are expecting this year to give the state something in the region of 105,000-110,000 tonnes of grain, of which we have only managed to load 35 percent.

[A.K. Yesengaliyev, oblispolkom (oblast soviet executive committee) first deputy chairman] The only way out now is for railroads to work smoothly to ensure that freightcars are provided in a timely fashion so that we can load up the grain that we receive on site in a timely fashion. But in the long term we in the republic have to tackle the question of building an elevator here with a capacity capable of dealing with grain from three rayons.

Bumper Grain Safely Stored in Rostov Oblast

PM1808143090 Moscow Television Service in Russian 1700 GMT 14 Aug 90

[Report by N. Chebotarev from the "Vremya" newscast]

[Text] [Announcer] An amazing situation is nonetheless taking shape in our country with regard to the grain harvest. Over the last few years we have had poor harvests, distress, and problems. Now the harvest has proved to be a bumper one. Yet once again we have alarm, concern, and all hands on deck, and in a number of oblasts a state of emergency has been introduced. It cannot be denied that a number of regions are really quite unprepared to deal with a rich harvest. For that reason every piece of good news from the fields is indeed a source of delight. Rostov Oblast's call to Save the Grain, issued at the beginning of the harvest, has lost its topicality today.

[Chebotarev] This call which was recently directed to all the inhabitants of the Don region has indeed lost its acuteness today. The harvest is over and the grain—one can say this with certainty—will be put away and stored safely without losses. Although there is still approximately 5 million tonnes of grain at the farms, its fate is clear. A considerable proportion of the grain will be allocated to rural workers, including teachers, physicians, and cultural establishment personnel. First-class seed has already been put into hoppers and feed is being put in the granaries. Roughly 3 million tonnes of grain—higher-grade grain, moreover—has been sold to the state. This is almost 1 million tonnes above the state plan for orders. Let us point out above all the new forms of economic activity and the high organization of all links in the harvesting chain. According to leaders of all ranks, the fact that no one has prevented any rural dwellers from doing their usual job has helped. For instance, the Tselinskiy silo has under extraordinary conditions kept to a schedule worked out long ago more strictly than it did in previous years. The silo is accepting grain for interim storage today since individual farms lack grain storage facilities at present. Apart from efficient organization of the harvest, taking Tselinskiy Rayon as an example, I would like to demonstrate another factor that has played a very important role in the successful harvest campaign on the Don.

[L.A. Yelizarov, rayispolkom (rayon soviet executive committee) chairman] We expected this grain. We always expected this massive grain harvest. We were not at all dismayed. We were of course anxious. But the fact that our rayon put the emphasis on open threshing floors helped. You've seen what we produced in areas where we have even just two mini silos. There is virtually no farm in our rayon without open threshing floors. Today all the grain, all the seed grain, all the feed grain is either in storage or on open threshing floors.

New Methods Pay Off for Uralsk Oblast Sovkhoz

PM1808151090 Moscow Television Service in Russian 1430 GMT 16 Aug 90

[Report by D. Baimbetov from the "Vremya" newscast]

[Text] [Announcer] Initiative and a quest for new approaches are helping many farms in Uralsk Oblast to carry out the harvest more quickly and without losses. They include the Chuganskiy Sovkhoz [state farm].

[Baimbetov] The harvest on the farm's grain fields which cover 22,000 hectares is drawing to a close. Only one-fourth of this area remained to be harvested on the day of our visit. The No. 3 team, which is headed by experienced grain grower G.Ye. Mirgorodskiy, only had this millet field left to harvest. The other crops had already been harvested. Each hectare had produced 20 quintals of dry, plump grain.

At the same time the sovkhoz was unable to sidestep the difficulties which affect everyone—shortages of fuel, spare parts, and vehicle batteries. Heavy rains did not bypass it either as you can see. Success is the result of efficient deployment of labor along the whole length of the harvesting conveyor, the grain growers' skill and professionalism, and strengthening of leasing relations. I would like to add that all the eight grain growing teams are operating under the leasehold system. But the most decisive step was taken on the sovkhoz during the harvest itself. Without waiting for instructions from above, the labor collective council decided to drastically change the machine operators' pay rates.

Tell me, a new system of payment of combine harvester operators, drivers, and so on is said to have been introduced on your sovkhoz. People are saying that under this system your workers are earning crazy money.

[T.M. Bayetov, sovkhoz director, candidate of economic sciences] Yes, they are saying crazy money. Crazy or not crazy I don't know, but the wages are good. Our harvesting combine operators are specialists. They earn between 100 and 150 rubles (R) per day. In a month, in 20 to 25 days, they earn between R2,500 and R3,000. The main thing is that the quality of the procured grain is good. Procurement prices have been raised this year, especially for quality grain.

[Baimbetov] Whereas people were paid per hectare of harvested area in the past, they are now being paid for the grain they deliver?

[Bayetov] They are now paid strictly for the grain they deliver, for every tonne of threshed grain.

[Baimbetov] Let me add that the fair remuneration of machine operators' work, which is anything but easy, has enhanced the prestige of this work and has awakened the interest of the young people on the sovkhoz in this work. And if the young people decide to stay in the countryside, if they start feeling that they are the true masters, than this will be a gain which cannot be expressed in terms of rubles.

Sumy Oblast Reorganizes Grain Transport System

PM1908194390 Moscow Television Service in Russian 0830 GMT 16 Aug 90

[Report by V. Pidchenko from the "Vremya" newscast]

[Text] [Announcer] The harvest remains one of the key topics in our life. The transportation of grain to elevators has been reorganized along new lines in Sumy Oblast.

[Pidchenko] Economic accountability has forced the organizers of this year's harvest to abandon old, clearly wasteful methods of grain transportation to state granaries.

Up to 3,500 trucks were normally used to transport grain. By arbitrary decision of the oblast leadership trucks were commandeered from construction sites, plants, and other establishments for grain transportation. At the same time no one worked out how many vehicles were actually needed to transport the grain. The view was the more the better. As a result, trucks forming long lines at grain reception centers had to wait up to five and six hours daily to be unloaded.

Now take a look at the situation today. Even in conditions of this year's bumper harvest—35 quintals per hectare on average in the oblast—there is no sign of waiting vehicles at elevators.

[A.N. Shaidenko, deputy chief of the Sumy Agropromtrans Association] This year a grain tranportation control center has been set up at every grain reception enterprise. Every such center has been allocated the number of vehicles necessary to ensure the continuous operation of the grain elevator. These vehicles are not controlled by kolkhoz [collective farm] and sovkhoz [state farm] chairmen as in the past but by dispatchers who are aware of the operational conditions at rayon level and dispatch vehicles wherever grain is ready to be shipped out.

[Pidchenko] Is this why there are no lines of waiting vehicles?

[Shaidenko] You are right, this is why there are no lines. We have worked out that in order to transport the oblast's grain only half of the former 3,500 vehicles are needed. Therefore we did not have to draw on the transport facilities of other national economic sectors this year and have used only large-capacity, specially equipped truck-trailers. This is convenient for farms too, of course. Because farm leaders now no longer have to organize the tranportation of grain by means of their own transport facilities, they are able to use them elsewhere.

Scientific

IAEA Fears 'New Accident' at Chernobyl

LD1908080290 East Berlin ADN International Service in German 0104 GMT 19 Aug 90

[Text] Vienna (ADN)—The disaster reactor in the Soviet nuclear power station installation of Chernobyl is threatening a new danger. Experts from the International Atomic Energy Authority (IAEA) in Vienna fear that there could be a new accident because the concrete covering built around the ruins of the power station at great speed after the reactor fire in April 1986 will not be able to withstand it. Soviet nuclear scientists are already working on crisis plans, the BERLINER MORGENPOST reports in an item in today's edition which was pre-released to ADN.

IAEA press spokesman David Kyd told the BERLINER MOREGNPOST that "in the long term" there is a danger that once again large quantities of fission products from the inside of the Chernobyl reactor could get into the environment. At present the greatest danger came from the concrete roof of the reactor which was burned out in 1986. Because of the radiation which still exists and the high temperature inside the reactor—estimated at more than 200 degrees Celcius—the concrete is becoming increasigly brittle. Therefore Soviet experts fear that the roof could cave in. The whole concrete covering is also causing the experts concern. This so-called "sarcophagus" around the damaged power station is becoming brittle because of the radiation and the high temperatures. A slow leak of fission products through the porous concrete walls can no longer be ruled out.

Soviet nuclear scientists have developed two plans to seal off the reactor involved in the accident. Either the roof will be strengthened by pouring in a liquid plastic which sets, or a new concrete covering will have to be built around the block. According to Kyd, work is already going on at the Soviet nuclear centers on a model for a "sarcophagus II".

A group of 100 IAEA experts assessing the health consequences of the reactor disaster in the Ukraine have received permission in the past few days to fly over the ill-fated reactor. During this, no damage could be seen externally, Kyd said. During the investigations however, the IAEA commission has come to conclusions that "give cause for concern." For example, the radiation from the burned-out reactor could be detected much more strongly than expected within a radius of 100-300 km. It was nearly as great as at the reactor itself.

'Special Cargo' Ready for Soviet-Japanese Flight

LD1708200790 Moscow TASS in English 1938 GMT 17 Aug 90

[By TASS correspondent Rena Kuznetsova]

[Text] Moscow August 17 TASS—From now on the Soviet long-duration orbital complex Mir incorporates the Progress M-4 cargo spacecraft. It was received by the crew of the fourth main expedition—Gennadiy Manakov and Gennadiy Strekalov—who have been working in orbit since August 1.

The cargo spacecraft which docked with the Mir complex has on board fuel for the joint propulsion plant, food, water, equipment, mail, and a special cargo a spokesman at the Mission Control Center told TASS today.

The special cargo is intended to ensure an international Soviet-Japanese space flight scheduled for December this year. Together with Soviet cosmonauts the expedition will involve one or two representatives of the Japanese TBS Television Network—Ryoko Kikuchi and Toyohiro Akiyama who are preparing for the flight at the cosmonauts training center near Moscow.

The Progress M-4 is already the fourth cargo spacecraft of new modification launched into space. It differs from its predecessors, of which there were 42, in that it may carry a cargo capsule which is brought back to earth. The present crew are to test the new cargo-carrying spacecraft.

Kaluga Plant Develops Improved Ignition System

PM1708120590 Moscow Television Service in Russian 1250 GMT 14 Aug 90

[From the "Scientific Bulletin" show's "Conversion News" feature]

[Excerpt] Drivers of the latest cars are of course fully aware of the merits of noncontact ignition systems and the unreliability of standard electronic commutators. It seems that most of them will soon become more straightforward since people in Kaluga have developed and will soon be beginning series production of a new device which retains all the advantages of its predecessor while lacking its drawbacks. It was quite easy for the developers at the Kalugapribor Plant to produce it. For many years the enterprise has specialized in developing—how shall we put it—nonstandard technological equipment working in various climatic zones under considerable mechanical stress. Today it and its neighboring plant—Avtomotoelektrooborudovaniye—are making use of the opportunities afforded by conversion. [passage omitted]

Military

Defense Industry Aircraft Production Reported

LD1908192190 Moscow Television Service in Russian 1430 GMT 19 Aug 90

[From the "Vremya" newscast]

[Text] [Announcer Leonid Ilin] Today is USSR Air Fleet Day. It is being celebrated by both military and civilian airmen, scientists, designers, and air aviation specialists. Yesterday we talked about the problems of civil aviation of which, as you are aware, there are quite a few.

Today, however, we invite you to an aerodrome where innovations of both military and nonmilitary aviation technology are assembled. At the present time it is essential to speed up the processes of conversion and to make use of the mighty potential of the defense industries in order to give our civilian aviation competitive passenger aircraft as soon as possible instead of purchasing or leasing them abroad, while not forgetting about improving military technology at the same time, of course.

[Correspondent M. Ponomarev] I was told at Zhukovskiy aerodrome that this was the first time for many decades that correspondents were freely filming the latest aviation technology. Previously one had to go through numerous checks even to get into the place. Do you know that Mikhail Lomonosov demonstrated his flying machine to the Russian academicians 236 years ago? Then there were the Montgolfier brothers, Zhukovskiy, Tupolev, Ilyushin, and Yakovlev: the history of aviation.

Over recent decades it has twice had to proceed along the same path. Judge for yourself: in the epoch of confrontation, military aviation totally forget about its civilian sister. Concealed behind a multilayered curtain of secrecy, the air forces went out of communications range so to speak. But now, during the period of conversion, the reinforcements of secrecy and extreme confidentiality which were until recently so carefully erected are being wiped away. Could we just two or three years ago dream of having the chance to film the Su-27 interceptor fighter? Or of simply sitting like this in the cockpit of the latest MiG? Incidentally, even U.S. pilots have not only sat in these aircraft but have even flown in them. But there is nothing more to disclose, and no need to. Aviators have once again obtained the opportunity of jointly tackling civil aviation problems of which, alas, many have accumulated recently!

You are seeing unique footage. One of the standard engines of this, one of the latest IL aircraft, has been replaced with a turboprop engine. This method of finishing an engine in flight—to use scientific jargon—was developed at the Gromov Flight Research Institute where we filmed these pictures. The aircraft is now being piloted by an air force pilot.

During the early years of Soviet aviation, pilots were known as aeronauts. This beautiful word, I think, could be applied to today's airmen as well as to those who invent, build, and send these winged machines up into the heavens. World specialists consider that our military aircraft are as good as any, and aircraft such as the MiG-29 and Su-27 are even superior to similar foreign aircraft. If only one could say the same, in a few years time, about our civil aviation.

Baltic Republics

Communist Party Leaders Decry Attacks on Lenin

LD1708180190 Moscow Domestic Service in Russian 1500 GMT 17 Aug 90

[Text] The secretaries of the Communist Parties of Latvia, Lithuania (CPSU), and Estonia, at a meeting held today in Riga, considered it essential that representatives of the Baltic republics take part in the meeting in Moscow for drafting the outline for the Union treaty. This is follows from a document signed by Rubiks, Burokevicius, and Panfilov. They assessed the decision by leaders of these republics not to participate in the process as shortsighted, and one adopted without consulting their peoples. In the opinion of the secretaries, this will lead to hindrances in cooperation with other republics. As is known, the leaders of the three parliaments explained their decision by saying that their supreme soviets had adopted acts to restore the independence of Lithuania, Latvia, and Estonia. However, many Communists are convinced that independence is achievable in a union of sovereign states.

The leaders of the three parties discussed the situation in the region. In their view, what is needed is a bloc of left-wing forces capable of resisting anti-democratic phenomena and attacks on people's standard of living.

Another document was also adopted during the meeting. It notes that lately fierce attacks have been being made on the ideological and theoretical inheritance of Lenin. Memorials are being destroyed in Latvia and Lithuania. These actions, the document says, show disregard for the principles of humanity and morality, exacerbate the situation, and are directed against the socialist choice. The secretaries of the central committees of Latvia and Lithuania stated: We resolutely condemn such antihumane actions, which run counter to common human morality, and we consider that the supreme soviets and governments of the republics are duty-bound to take steps to protect memorials to Lenin from insulting treatment, ensuring that they are preserved and protected in accordance with the principles of a law-governed state. A resolute barrier against immoral attempts to erase the name of Vladimir Ilyich Lenin from history, however they may be expressed, and wherever they may occur, must be erected.

Also taking part in the meeting was Sillari, first secretary of the Communist Party of Estonia Central Committee. He did not consider it possible to put his signature to the statement without having discussed it first at the bureau of the Communist Party of Estonia Central Committee.

CPL Plenum Calls Republic Situation 'Alarming'

LD1908145890 Moscow TASS International Service in Russian 1958 GMT 18 Aug 90

[By TASS correspondent Kazis Ustsila]

[Text] Vilnius, 18 Aug (TASS)—The current tasks stemming from the decisions of the 28th CPSU Congress and the problems of the republican communist party were discussed at the plenum of the Lithuanian Communist Party [CPL] (CPSU) Central Committee which was held today.

The majority of those who spoke described the situation that has developed in Lithuania as complex and alarming. They said that the constitutions of the USSR and the Lithuanian Soviet Socialist Republic are effectively invalid in the republic and Soviet laws are not obeyed. Some even drew the conclusion that: nationalistically disposed elements have effected a coup. The speakers were indignant at instances of monuments being defiled and destroyed and spoke of other difficulties.

Sharp criticism was to be heard of the 28th CPSU Congress and the documents it adopted and there were reproaches of the Central Committee and the general secretary for slowness and inconsistency in implementing political, economic, and other reforms. Some categorically demanded that: Soviet power and the validity of the constitutions of the USSR and the Lithuanian Soviet Socialist Republic be restored and compliance with the decisions of the USSR Congress of People's Deputies which affect the situation in Lithuania, ensured. There were also proposals to the effect that it is necessary to come to the negotiating table and to set about tackling economic, social, and other issues.

Mikolas Burokevicius, member of the CPSU Central Committee Politburo and first secretary of the CPL (CPSU), who made the concluding speech, called upon the party aktiv to work more efficiently with the peasantry, to rely more upon the workers of major industrial enterprises, to organize extensive contacts with the intelligentsia and to work more energetically among young people and believers.

The plenum bound the party organizations to step up work to explain the materials of the 28th CPSU Congress and to strengthen the primary party organizations. Measures for creating a television program of the CPL (CPSU) and tackling other issues were mapped out.

Russian Delegation To Visit Vilnius 23-25 Aug

LD1808102590 Moscow TASS in English 1847 GMT 17 Aug 90

[By TASS correspondent Kazys Uscila]

[Text] Vilnius August 17 TASS—The discussion of a draft bilateral declaration on political and legal relations between Latvia [as received] and the Russian Federation is the aim of a visit by a delegation from the Russian parliament between August 23-25.

A parliamentary-governmental commission on preparations for the talks with the Russian Federation, which

was formed by the Lithuanian parliament, is led by Vice-President of the Lithuanian parliament Ceslovas Stankevicius.

The commission has compiled a draft declaration and forwarded it to First Vice-President of the Russian parliament Ruslan Khazbulatov.

According to local analysts, the visit to Vilnius by the Russian parliamentary delegation will inaugurate a new stage of preparations for political talks between Lithuania and Russia.

Vilnius newspapers published decisions today adopted in Vilnius on Wednesday between governmental delegations led by Russian Prime Minister Ivan Silayev and Lithuanian Prime Minister Kazimiera Prunskiene.

The sides signed an agreement on trade and economic relations between the two republics for 1991.

Landsbergis Discusses RSFSR-Lithuania Talks

90UN2580A Moscow SOYUZ in Russian
No 31, Aug 90 p 3

[Interview with Vytautas Landsbergis, chairman of the Lithuanian Supreme Council, by Vyacheslav Zenkovich: "'...Negotiations Are Serious Business'"]

[Text] Vilnius-Moscow, 31 July—[Zenkovich] Esteemed chairman! How do you see Lithuania's future relations with the RSFSR [Russian Soviet Federated Socialist Republic]?

[Landsbergis] They will be defined as it becomes clear how Russia conceives of itself and what role it intends performing in the USSR and on the international scene. I believe that it is important for the RSFSR in the immediate future to define its attitude both toward the Union itself and the republics that are members of the USSR and toward neighbor or more distant states. After all, the Russians have yet to decide what proportion of the wealth or resources that belong to them will be administered by themselves, and which they consider it necessary (or not) to transfer to the management of the Union authorities.

The dialogue has already begun. Important meetings have been held with B. Yeltsin, and between them we have been visited by members of the Russian parliament, and our delegates—the chairman and members of the commission for negotiations with the RSFSR—have been to Moscow. The results of the visits were the discussion of certain common problems and paths of economic and political cooperation. In addition, a draft initial document on the cooperation of our two states was drawn up in conjunction with R.G. Abdulatipov, chairman of the RSFSR Supreme Soviet Soviet of Nationalities, and N.I. Travkin, chairman of the RSFSR Supreme Soviet Committee for the Work of the Soviets of People's Deputies and the Development of Self-Government. It has been submitted to meetings of the Lithuanian Supreme Council session.

I see an agreement on economic relations as the document first in order of significance following the initial political document. It will be of tremendous significance for Lithuania as it will enable the republic to view the future with confidence. Russia has inestimable treasures: oil, timber, coal, metal, which are for us a vital necessity. If in a period of difficult relations with the leadership of the USSR Lithuania negotiates on mutually profitable cooperation with the RSFSR, this will make us a less vulnerable party in relations with the Kremlin.

Aside from economic agreements a special political document, which I would like to see determine a mutual assurance of citizens' rights and liberties on the territories of both states, will possibly also be elaborated. It should specify also the question of control of the borders of the RSFSR and Lithuania. The point being that our countries will evidently pursue different economic policies. In order to prevent the development on this basis of profiteering on account of a possible difference in the price of various consumer goods and an orgy of organized crime it will be necessary to establish control on the highways. This by no means signifies the construction of wire entanglements and the posting of armed border guards, it is a question of the formation of customs control services.

Such control is already exercised in Estonia, where the price of, say, hard liquor is considerably higher than in the USSR. We also attempted to create control services, but the strongest pressure was put on us on the part of the USSR leadership. At that time we did not venture by these services to excite the Kremlin and representatives of the army of occupation on Lithuanian territory: They could have organized any provocation and created a conflict.

I would like to achieve agreements with the RSFSR in the sphere of culture, art, and education also. Russia's students should have an opportunity to study in Lithuania's educational institutions, and our young people, in the RSFSR. We have afforded and continue to afford the Russian population an opportunity here to be taught in its native language. In turn, there have been certain improvements in the creation of elementary educational institutions for Lithuanians living in Kaliningrad Oblast. But we are as yet speaking of this as an achievement, but I would like it to be the rule.

The future of the RSFSR and the USSR and their interaction and the authority with which Russians will endow the Union leadership are not yet clear. If they hand over the right to dispose of their oil, gas, and railroads, this will mean that the Kremlin will continue to have the opportunity to bring economic pressure to bear on whomsoever it pleases. Lithuania will build its relations with the RSFSR and the USSR in accordance with the clarification of these issues.

The status of the Soviet Union also will become more specific with the process of Russia's self-determination. The social and political situation in the USSR is

changing very rapidly. What powers will Russia give the Union? And what will the Ukraine give? And Belorussia? Moldova? This is a complex matter, and Lithuania's relations with the Union will depend largely on the self-determination of all its republics.

[Zenkovich] It is not clear with whom you will be dealing?

[Landsbergis] It is not entirely clear with what authority the USSR leadership is being endowed currently. That inherited from the old USSR is one thing, what it will be given in the immediate future, following, say, the conclusion of a new Union treaty, is another. Prior to its conclusion, perhaps.... After all, today's leadership is being deprived of some of its authority almost daily.

[Zenkovich] Just a few weeks ago you were insisting on the speediest commencement of negotiations with the Soviet Union. The USSR leadership consented to this in principle. One has the impression that you are artificially dragging out not only the negotiations themselves but also the preliminary consultations on the "Lithuania question." Instead of forming a special group, the republic's parliament is creating a "commission for forming a commission" and thereby bogging down the USSR in a bureaucratic swamp and impeding the speediest solution of the problem. What is the explanation behind so abrupt a change in Lithuania's policy course?

[Landsbergis] I disagree with your evaluation, but of this later. The Union republic Supreme Soviets are as yet adopting documents on the supremacy of the effect of their laws over Union laws. It is difficult to foresee the authority with which the USSR leadership will be endowed in the future: The Soviet Union is breaking up.

[Zenkovich] Do you not fear the negotiations becoming an empty waste of time?

[Landsbergis] They cannot be called an empty waste of time since the central authorities are as yet quite strong and could cause considerable trouble by ill-considered decisions. Even more important is something else. If we conclude a cooperation agreement with the USSR, the fact of Lithuania's military occupation will be a thing of the past. The president of the USSR is a sufficiently farsighted politician and understands this full well.

Our side has done much to formulate a mechanism of preparation for the negotiations. We have enshrined this in the form of decrees of the Lithuanian Supreme Council. We have created a commission for political, legal, and diplomatic preparations for negotiations with the USSR, which is studying and putting the finishing touches to documents already prepared by the Lithuanian Foreign Ministry and organizing groups of experts. Nine such have been created, and they are at their level to formulate agreements pertaining to individual spheres: customs, border protection, the stationing and legal justification for the stationing of Soviet forces in Lithuania, civil rights, and so forth.

For example, it is essential to negotiate also Lithuania's free contacts with different states. After all, we are now living under conditions of political isolation: politicians, businessmen, figures of culture and art, tourists, and near and dear ones of inhabitants of the republic interested in contacts cannot now visit us from abroad. If the experts we need cannot come, how can there be any question of valid partnership at the negotiations? I do not, therefore, consider these matters a subject of the negotiations. They should be settled during preliminary consultations.

[Zenkovich] How would you like to see Lithuania following the impending negotiations?

[Landsbergis] Really independent. But we will not, possibly, be able in the immediate future to settle all aspects of our relations with the USSR. Nonetheless, in addition to political issues it is also necessary to normalize economic issues.

I would consider normal a situation in which we had direct contractual contacts with the republics and the central departments of the USSR in respect of the extent of the commodity exchange for the coming year. After all, the uncertainty here is also a kind of pressure on the part of the Union leadership on Lithuania.

It would seem that the Kremlin views this problem differently. Our ministers are being denied information, the reason being given for this the uncertainty in the relations of our states, and, they say, "the negotiations will show what attitude to adopt toward you."

Currently, at the behest of the Lithuanian Supreme Council, Prime Minister K. Prunskiene and myself are thinking about the composition of the future official delegation. We are being pressed to form it. But negotiations are a serious business. When President M.S. Gorbachev heads for negotiations somewhere, he already knows specifically the kind of document he will be signing. And we have a right to want the same.

Prunskiene Views Various Groupings in Lithuania

LD1708171790

[Editorial Report] Vilnius International Service in Lithuanian at 2100 GMT on 15 August carries a 10-minute program presented by Rima Jakutyte in which she comments on public attitudes concerning the parliament's work and Sajudis and its future. She cites several articles, published in the press recently. In her opinion, the impetus for such discussions in the press was provided by the recently published "Appeal to the Lithuanian People," signed by 20 members of the intelligentsia.

She mentions an article by Vydmante Jasiukaityte carried in TIESA on 9 August, discussing various problems, including those of Communists versus noncommunists, former communists, etc. Jasiukaityte also alludes to

ill-feeling between Landsbergites and Brazauskites. The author is highly critical of Sajudis and the Supreme Council.

Jakutyte discusses an interview with Kazimiera Prunskiene by Vydmante Jasiukaityte in the 11 August issue of RESPUBLIKA. The prime minister is quoted at saying: "Certain elected deputies have come to believe they rule Lithuania, but they feel no direct responsibility toward the people."

The presenter terms as interesting Prunskiene's comments depicting "forces active among the public that unfortunately have ties with the parliament also." She separates them into the extreme left—the CPSU platformists; and the right—Lithuanian Freedom League members who are "suspiciously and in a sick manner searching for traitors among themselves." According to Prunskiene, "even the so-called patriots are clearly divided into groups. There are invididuals who suffered at the hands of bolsheviks, those who had been deported, etc. One can understand them—they truly cannot tolerate peaceful dialogue with Moscow." The second group, according to Prunskiene, consists of those "yearning for power under cover of patriotic sentiments, who perceive themselves as ministers, at least. These are specific people doing everything possible to compromise the government. The third group comprises the dark forces opposed to Lithuania, whose interests include the blockade and economic chaos, by means of which it is possible to make millions."

Kazimiera Prunskiene reportedly notes that she has some information indicating that "such forces do exist; they are consolidating in order to attract naive patriots who have only a bare patriotic sentiment. Those consolidated forces would constitute a rather strong block." In her opinion, "the situation in parliament would become balanced if more factions would emerge." Prunskiene believes "the situation is highly complicated by the fact that a strong rearguard section is lacking among the population. Either Sajudis has not yet found its position, or it has already lost it, but it no longer fulfills a consolidating function."

Kazimiera Prunskiene is also reported to believe that "for the time being bolshevik methods are employed in seeking the freedom ideal, and we are not going to rid ourselves of that legacy for a long time." She says: "it is terrible to reflect that, having formed the Supreme Council with the aid of Sajudis, we now cannot agree among ourselves. It is uncomfortable when new people come in who had not accomplished anything in Sajudis and who are again trying to find fault with us, express suspicion and accuse us of treason. I would not like to mention anyone specifically. However the situation is sufficiently dangerous, because the construing of one opinion is absolute while strictly denying the alternative, even by making speculative use of national ideals and sentiments, begins to pose a threat to democracy. When a group of deputies fights for specific individuals, rather than for optimum decisions, with almost total disregard for the essence of their proposals, work becomes complicated." The prime minister says: "I believe we will spend a long time yet trying to banish the experience of fixing labels, suspicion, ambition, and accusation."

In conclusion, the presenter observes that although certain statements of the quoted publications may be unacceptable to some listeners, they constitute a portion of public opinion that needs to be expressed.

Prunskiene Urges 'Restraint' in Moscow Criticism

PM2008124990 Moscow PRAVDA in Russian 16 Aug 90 Second Edition p 2

[INTERFAX report: "K. Prunskiene Unhappy With Relations With Parliament"]

[Text] The independent Vilnius paper RESPUBLIKA has published an interview with Lithuanian Prime Minister Kazimiera Prunskiene, in which she urged restraint in criticism of Moscow and, at the same time, said she was unhappy about the Lithuanian parliament's pressure on her cabinet.

"I would not want Lithuania to be an authoritarian, dictatorial republic," K. Prunskiene said. According to her, parliament is putting "constant pressure" on the government.

Concerning talks with Moscow, the premier noted that "one must not engage in unbridled criticism and demonstrate constant distrust of a dialogue partner." "Relations should be more restrained, calmer," K. Prunskiene believes. In her opinion, the Lithuanian situation is being fueled by "destructive forces," among whom she included the Communists on a CPSU platform and also criminal elements, who "are striving to make millions" in conditions of economic destabilization.

Prunskiene Views Moscow Meetings, Visit

PM1708123290 Moscow MOSCOW NEWS in English No 32, 19-26 Aug 90 p 4

[Report on an interview with Lithuanian Prime Minister Kazimiera Prunskiene by Grant Gukasov in Moscow; date not given: "Kazimiera Prunskiene: Intergration of Interests on an Equal Footing"]

[Text] The Lithuanian Prime Minister's day in Moscow was packed. In the morning she conferred with Russia's Prime Minister Ivan Silayev, talked by phone with Boris Yeltsin, met with Nikolay Ryzhkov and Leonid Abalkin at the USSR Council of Ministers, and then conferred with Yuriy Luzhkov and Sergey Stankevich at the Moscow City Soviet.

Her appearance at the Lithuanian mission in Moscow's Pisemskiy Street was unexpected. She came in light-footed, dressed in white, and smiling. A mission member handed her a few typed sheets and she pored over them, saying:

"I'm sorry, this is the protocol of intentions drawn up as the result of my meeting today with Silayev. I must read it through and make corrections."

[Gukasov] What did you discuss with Silayev?

[Prunskiene] Mostly trade cooperation in 1991. Things are changing in this field. It is essential to maintain existing economic ties while introducing relevant corrections where shipments, prices and third parties are concerned. The most important thing is to define who is the real owner and master of Russia's resources. As far as Lithuania is concerned, this problem has been resolved for most of our products. But for Russia this problem is only now coming into focus. When I talked with Nikolay Ryzhkov this morning, I realized, yet again, that it will be a difficult problem to solve. The USSR government maintains that it alone can effectively and fairly distribute timber, oil, foodstuffs, etc., while Russia believes it can cope without any assistance. At the same time the autonomous areas of Karelia, Yakutia, Bashkiria, Tuva, and Tataria, as well as the Tyumen and Vorkuta regions have been unambiuously claiming independence. You see, the central government has many options.

[Gukasov] But Russia has declared its sovereignty. The Centre and the Russian Federation have signed an agreement on coordinated reforms.

[Prunskiene] The latter is very important for stable development, as long as departmental interests do not interfere. In this respect the Baltic republics have been a testing ground where those interests have transpired earlier than elsewhere. In Lithuania, 30 per cent of all industrial assets belong to the all-Union departments. And we have already become aware of their desire to set up an extra-territorial alliance.

[Gukasov] In Estonia, too, two-thirds of the industrial assets belong to all-Union agencies, under the "Integral" Association set up by USSR Deputy Prime Minster Voronin. The local press has already dubbed it Voronin's Trojan Horse. Will the same tactic be used in Lithuania, Latvia, and Russia?

[Prunskiene] It is high time the word "force" was removed from our vocabulary. It's time we identified real interests and matched them precisely before integrating them. Only by integration can a new, free association of nations arise in this country. Any confrontation or juxtaposition of interests ought to be excluded, to say nothing of Trojan Horses. Lithuania is a small republic, and we want certain guarantees. Even today's negotiations must have shown you how important it is for us to identify the real interests of Russia, of the central government, and of the actual producers, so that we can make every new step on solid ground, not, in thin ice.

[Gukasov] Did the two-month-long blockade of Lithunia have any positive effects?

[Prunskiene] Only insofar as it stimulated business abilities in our cabinet members. None of them sits any longer in his office talking over the phone: they all move around the place in search of contacts. Our previous economic ties have become stronger, and new ones have appeared with Moscow, Leningrad, Novgorod, Lvov and the Central Asian Republics. Of course, the blockade affected the Republic's economy. But in the long run we would be able to get everything we needed for normal life through direct contacts.

So far we haven't achieved much in our dealings with Armenia and Azerbaijan. But we now see why the West was so cautious in its contacts with Lithuania. One can hardly expect good economic partnership without political stability. As far as Lithuania's external turnover is concerned, 52 per cent belong to Russia (both in former prices and in the contractual prices we discussed with Silayev earlier today, which in 12 to 18 months' time will become world prices, we hope). Therefore, you can appreciate our genuine concern for the success of the agreement signed by Mikhail Gorbachev and Boris Yeltsin.

[Gukasov] The all-Union government delegation for negotiations with Lithuania has already been appointed. When will the negotiations start?

[Prunskiene] Our former resolution and desire to speed them up have somewhat diminished. The recent Riga meeting between the Baltic leaders and Boris Yeltsin has boosted our self-confidence, and we now feel stronger. But we have already done all the preliminary work and are ready to sit down to the negotiating table any time. The rest does not depend on us. If it did, I would not delay the beginning of talks.

[Gukasov] Are there armed units in Lithuania? How did the Lithuanian population react to the Presidential Decree on handing over arms?

[Prunskiene] The reaction was negative. There are no armed units in Lithuania, and one does not raise a sport gun against people. We have been waging a parliamentary struggle, we regard the legitimacy of our aims and aspirations as our main force.

[Gukasov] Only a short time ago you said that all roads pass through Moscow...

[Prunskiene] They no longer do. I fly to Paris via Warsaw, and to Stockholm via Tallinn. I came to Moscow on my special jet, and will fly back to Vilnius in an hour or so. But in two weeks' time I'll come back. There's still much to do here.

'Anti-Army' Campaign in Lithuania Examined

PM1908183690 Moscow KRASNAYA ZVEZDA in Russian 10 Aug 90 First Edition p 3

[Report by correspondent Lieutenant Colonel A. Ranevskiy under the "Direct Line" rubric: "To the Sound of Anti-Army Drums"]

[Text] Baltic Military District—It would probably be no exaggeration to say that the extraordinary session of the Lithuanian Supreme Soviet began its work to the sound of anti-Army drums. Following the discussion behind closed doors of the question of preparations for talks with the USSR and the Russian Soviet Federated Socialist Republic, the deputies discussed a report "On Cases of Kidnapping and Deaths of Citizens of the Lithuanian Republic." A statement of the Supreme Soviet and government addressed to the USSR president and the USSR Council of Ministers chairman was adopted on this question and maintains, in particular, that "citizens of the Lithuanian Republic are not obliged to serve in other countries' armies" and that the actions of the Soviet Union's Armed Forces stationed in Lithuania with regard to persons evading service in the Army "run counter to the laws of the Lithuanian Republic and constitute gross interference in the internal affairs of the Lithuanian Republic."

Once again a negative opinion of the Army is being foisted on the public not without the participation of the mass media and, probably, not only the republican media. Anyone who watched, for example, a recent popular TSN (Television News Service) transmission was obviously shaken by the report from Lithuania of the death of Private V. Minjauskas, a serviceman of Lithuanian nationality, at the hands of "militarists." According to the presenters of this tragic report from Lithuania for TSN, soldiers allegedly perpetrated a brutal attack and fired. At the same time they did not miss the opportunity to emphasize that there was a kindergarten next to the scene... You can imagine the television viewer's reaction to such a thing.

But what happened in actual fact? There really was a tragic incident. A detailed report on this was promptly prepared for the district newspaper ZA RODINU, based exclusively on documentary evidence. It turned out that Pvt. Minjauskas was being investigated on suspicion of stealing the personal property of citizen I. Prusane worth more than 20,000 rubles. On being arrested, the suspect offered violent resistance to Junior Sergeant Raubo, a special-purpose militia detachment officer—which was recorded in the official report. The Kaunas Garrison Military Prosecutor's Office instituted criminal proceedings. However, Pvt. Minjauskas attempted to escape. His escort used a weapon in accordance with regulations. Just two shots were fired: The first was a warning shot into the air, but the fugitive did not stop...

Preparatory Russian-Latvian Treaty Talks End

LD1708183390 Riga Domestic Service in Latvian 0430 GMT 12 Aug 90

[Text] Yesterday the coordination of the texts of the expected interstate cooperation treaty between the Russian Federation and the Republic of Lativa was concluded. It was accomplished by authorized parliamentary delegations of both republics—on the Russian side led by Professor and Deputy Aleksandr Granberg, and on the Latvian side by Andrejs Krastins. These texts will be further examined by permanent commissions of deputies in the Russian Supreme Soviet. The treaty will be signed by the chairmen of both states' supreme councils. Yesterday the parliamentary delegation of the Russian Federation was invited to an official reception organized by the Supreme Council of the Republic of Latvia to commemorate the signing of the Russian-Latvian Peace Treaty 70 years ago, on 11 August 1920.

Latest Estonian Supreme Soviet Session Viewed

PM1708161290 Moscow KOMSOMOLSKAYA PRAVDA in Russian 15 Aug 90 p 4

[Report by G. Sapozhnikova: "Estonia: Chronicle of the Week"]

[Text] ...What sort of politics can you have when it's summer outside?

But a suitable date came along—on 6 August 50 years ago Estonia was incorporated into the USSR—and therefore the Estonian Supreme Soviet met for its 13th session. An extraordinary session.

Well, journalists assigned to parliament sighed, the situation in the republic is really critical. Lo and behold, even the people have suddenly got together on this basis—placards near Toompea Palace (in Russian and Estonian) are proof of this: "Where is the promised compensation for price rises?!" "Mr. Savisaar! How will we feed our children?"

Alas, the prices issue was not included on the agenda of the session. Estonian Supreme Soviet Chairman Arnold Ruutel explained with his characteristic mildness: "The government has not been at its post long enough for its activity to be assessed."

But Edgar Savisaar, the head of government, fending off questions, put forward the idea: "There are political forces in the Soviet Union who expect us to give up the idea of independence for the sake of gasoline and sugar."

But when Russian deputies began to insist on including the question of price rises on the agenda and throwing in tricky questions (of this kind: Why, for example, has not only Estonian fish, but Far Eastern fish as well, become more expensive in the republic—after all, the USSR Ministry of Finance's subsidies did not extend to the latter) Deputy Kaljo Koha became really indignant: "Esteemed Communists, it isn't 1917 now, it is 1990!"

In the upshot it was decided to discuss price rises some time in September, after the the government has carried out an overall examination of prices; but what will we discuss today in that case, what question is more topical for the republic? Naturally, the events in Kuwait. I cite the Estonian Republic Supreme Soviet's statement regarding the occupation of Kuwait by Iraq: "Today, on the 50th anniversary of the annexation of Estonia by the Soviet Union, the Estonian Republic Supreme Soviet

expresses deep sympathy to the people of Kuwait in connection with the occupation of their homeland by Iraq.

"We believe in the speedy liberation of our peoples."

It is wrong to censure a parliament for showing sympathy—even in this form. There were other questions also on the agenda, directly connected with life in the republic today. For example, "On the Estonian Republic's Relations With the USSR". The extraordinary session devoted almost two days' work to discussing this.

It must be said that we learned much of interest in the course of the discussion. For instance, that the republic, it emerged, left the USSR four months ago—only for some reason nobody noticed, not even the Estonian deputies themselves. Or that the USSR Law of 6 August 1940 "On the Admission of the Estonian Soviet Socialist Republic to the USSR" is, it turns out, in no way binding, has never been binding, and will never be binding on the Estonian Republic. That USSR Armed Forces on the territory of the Estonian Republic are an obstacle to Estonia's acquiring actual state independence. And so forth.

The final version of the resolution found a great many opponents. For example, members of the deputy's group "Viromaa" [old name of Estonia] stated that the resolution pursues purely demagogic goals and is reminiscent of documents adopted in the period of stagnation to mark any anniversary; therefore they refused to take part in the vote. As for deputies of the group "For Equal Rights," they left the hall entirely before the vote, after reading out a statement and eventually announcing the setting up of a deputies' group for interparliamentary links with other republics and states, "representatives of which will simultaneously take part in consultations on the preparation of a new Union Treaty and determine the status of political refugees." Apart from this, the group threatens to hold a referendum on the question of Estonia leaving the USSR and create a commission "for the study of the real situation regarding human rights in the Estonian Republic and subsequently hand over its conclusions to the heads of the member states of the Helsinki Conference and to the United Nations Organization."

You could sense that both groups of deputies were very pleased with themselves. So two days had not gone by, and the third document in six months defending Estonia's independence was adopted. In reply—perfectly naturally—came the USSR president's statement that the documents adopted in the republic were unconstitutional.

Stop Press

As we know, the USSR president reacted swiftly to the Estonian parliament's move. Unfortunately, the reaction in Estonia to M.S Gorbachev's statement of 12 August 1990 was, as with everything else, to act as if it did not exist. The local press, having reprinted the document according to all the rules, have so far paid no attention to it. You somehow feel that everyone here has already become accustomed to this kind of scenario (we send a statement to you, you send one to us).

Alongside Gorbachev's statement in the papers yesterday yet another was published—a statement of the Baltic Council of the People's Fronts of Estonia and Latvia and the Lithuanian movement "Sajudis," adopted the day before the president's: "... Rumors are being circulated by various circles in Estonia, Latvia, and Lithuania regarding the other republics' intentions to conclude a Union treaty, join a confederation, or sidestep the unshakable decision of our peoples to restore an independent state.

"Behind the various misleading reports there lies in reality the Kremlin's experience, acquired over many years, of undermining the Baltic states' cooperation and driving a wedge between them... The Baltic Council calls on all the Baltic peoples to show wisdom in identifying provocation from the East."

It is obvious what kind of soil Gorbachev's words fell on when he spoke about Estonia's real possibilities of deciding the sovereignty issue democratically in the framework of a Union treaty, when the still unborn Union treaty is regarded here virtually as a bugaboo to frighten little children...

Many believe that the president, purely and simply, has ill-informed advisers who are not yet convinced of the irreversibility of the processes taking place in the Baltic region, and they are misleading the president too. There is probably some kind of logic in this: After all, before issuing a decree, it is necessary to be sure that it will be carried out.

And there still some people who say that by this means—the president's statement—Estonia was informed of the start of an economic blockade. The experience with Lithuania, however, shows that this measure elicits nothing but an explosion of irritation toward the center.

RSFSR

Yeltsin Continues Tour of Russian Republic

Speaks in Sterlitamak

PM1708131090 Moscow PRAVDA in Russian 14 Aug 90 First Edition p 2

[Report by special correspondent N. Morozov under the rubric "Emergency Situation": "In a Toxic Fog"]

[Text] Bashkir ASSR [Autonomous Soviet Socialist Republic]—I smelled the breath of the large chemical industry city long before we arrived at Sterlitamak. As we drew near the industrial giant—the Kaustik Production Association—I began to feel slight nausea.

"You are lucky, there is a slight breeze today, one can still breathe," the chemical industry workers "reassured" me. "On a still day, we and the local inhabitants have problems..."

It was such a stili day 8 August that it triggered a social storm in Sterlitamak.

...In the morning a bluish gray fog started creeping toward the city from the direction of the industrial zone. There was a distinct smell of chlorine. Two hours or so later it settled on the whole city.

People telephoned Kaustik, the synthetic rubber plant, and the Soda Association, asking where the discharge of gas was coming from. The two neighboring chemical industry plants started accusing each other, while the enterprise managers declared with Olympian aloofness that all was normal at their plants as regards ecology.

You may wonder, what kind of "normality" was A. Islamshin, chief engineer at the Kaustik plant, talking about if, for instance, according to the local press 33 production shops of this association are operating without the sanction of the state hygiene service, and if for many of the toxic products that are being discharged into the atmosphere there is not even a method to determine the highest permissible concentration?

In the afternoon columns of demonstrators formed spontaneously, consisting mainly of women concerned about their children's health. They marched to the city center where a noisy rally took place in front of the building of the city soviet executive committee and the city party committee. The city fathers promised to take urgent steps to identify the source of the sudden discharge of chlorine and to close down the offending production unit. The presidium of the city soviet of people's deputies met for an emergency session and having discussed the prevailing state of affairs declared an ecological emergency in the city as a result of strong gas pollution. A provisional emergency committee was set up.

The outrage of the inhabitants of Sterlitamak is understandable. Its essence was, in my opinion, aptly expressed by O. Pershin, a city soviet deputy: "For more than three years we have been struggling to achieve an improvement of the ecological situation in the city and the region. And what is the upshot? USSR Council of Ministers Resolution No. 781 on improving the ecological situation in Sterlitamak and Salavat is not being implemented, the decisions of last year's conference with Comrade Gusev, deputy chairman of the USSR Council of Ministers, remain only on paper, and the same applies to Bashkir ASSR Council of Ministers Resolution No. 182. Now, as in the past, there is no foreign currency to retool production units..."

Apart from demands for an immediate improvement of the ecological situation demands of a political nature also rang out at the rally. They included the resignation of the current leadership of the city soviet and city party committee and the handing over of the premises which they currently occupy to house a medical establishment. A city strike committee has been set up which will organize a citywide strike in a month's time if the resolution adopted at the rally is not implemented.

B. Yeltsin, chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet, arrived in the chemical industry workers' city 11 August.

"I have been touring Tataria and Bashkiria for a week, but nowhere have my impressions been so gloomy, especially during my visit to the Kaustik plant. It is depressing, frankly painful," he said at a meeting with inhabitants of Sterlitamak and surrounding villages.

The meeting between the head of the Russian parliament and the working people opened in the hall of the synthetic rubber plant's center, but it had to be continued outside. Several thousand people who wanted to know how the ecological emergency would be dealt with had gathered, and Boris Nikolayevich had no choice but to conduct a dialogue with an audience of several thousands from the roof of the entrance lobby of the center.

The speaker saw the cause of the current ecological disaster in the immoderate financial appetites of Union ministries and departments. For instance, the self-same Kaustik plant, which needs major capital investments for environmental protection meausres, is allowed to retain only 10 percent of its total profits. This is downright robbery, B. Yeltsin said. The enterprise must be the proprietor, it must not only own its fixed capital but also be allowed to control its output, to sell it advantageously, to handle its foreign currency earnings, and to spend them as it sees fit. The chairman of the RSFSR Supreme Soviet said further that the Russian government has already rejected the services of 60 Union ministries and halved the apparatus of republican ministries. At the upcoming September session of the Supreme Soviet a law is to be adopted on taxation which will reduce the financial pressure exerted by the state on enterprises. It is proposed to reduce the rate of taxation on profits from 45 to 35 percent.

"The program for switching the economy to market relations proposed by the government headed by Ryzhkov is too much for the people to bear," Yeltsin noted. "The people need a reform which will not infringe their interests. The Russian Federation government has such a program."

Among other measures to stabilize the economic situation in the course of 500 days, B. Yeltsin mentioned decentralization of management, establishment of contractual economic ties between republics, and adoption of a law on ownership which makes provision for recognizing private ownership on a par with other forms of ownership.

Naturaly, the inhabitants of Sterlitamak who are suffering so much from harmful emissions expected specific proposals to overcome the ecological emergency from the head of the Russian parliament.

"Boris Nikolayevich did not say enough about Sterlitamak's problems," one citizen said in a mini-interview. "When you are speaking from that height, our problems are not visible," another said ironically. But most of the people I talked to said that the meeting had been useful. "B. Yeltsin intimated that our salvation lies in complete independence. In sovereignty which will be approved and backed by Russia. It was important to hear at first hand about the future course of the Russian parliament whose experience will no doubt come in useful also for Bashkir deputies," said N. Nigmatullin, a war and labor veteran.

B. Yeltsin left Bashkiria for Vorkuta.

Meets With Market Reform Group

PM1708151590 Moscow PRAVDA in Russian 17 Aug 90 Second Edition p 2

[Report by G. Mikhaylov: "Two Weeks to 'The 500 Days'"]

[Text] B.N. Yeltsin, chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Presidium, yesterday had a meeting with the working group preparing the program for the transition to a market economy. He thought this meeting so important that he cut short his tour of the country to be there.

PRAVDA has already said that the working group, which includes S. Shatalin, Presidential Council member; N. Petrakov, presidential adviser; G. Yavlinskiy, deputy chairman of the Russian Council of Ministers; and other leading economists is elaborating a concept of economic reform based on the Russian program for national economic transformations known as "The 500 Days."

L. Abalkin, deputy chairman of the USSR Council of Ministers, also took part in the meeting. He is also in charge of the group that is continuing to revamp the Union government's economic program rejected by the country's parliament.

The meeting took place mainly in camera, but the few journalists invited were patient and waited for the RSFSR Supreme Soviet Presidium chairman to make a press statement. He said that analysis of the work done inspires optimism. The first version of the program is virtually ready, although it does of course still need careful completion.

It is important that the program's main positions have been coordinated with most of the Union republics. Thus a treaty on economic union between the republics may be signed before the main Union treaty is concluded. At present Latvia, Turkmenistan, and Estonia are keeping aloof. But this does not cause Yeltsin any disquiet. "It just means that there will be an economic union of 12 members," he said.

Incidentally, Yeltsin denied the widespread rumors that a split has developed within the group set up following the president's decree. On the contrary, the work is proceeding smoothly and the results show this. Although the fact that a number of Union departments are failing to act on the president's instructions and provide scientists with all the requisite information is an obstacle, less than half of the 25 departments that have been asked for information have actually responded. He said that if the adoption of a Union program is delayed, Russia will implement it autonomously.

Further on Sverdlovsk Visit

PM2008102790 Moscow KRASNAYA ZVEZDA in Russian 17 Aug 90 First Edition p 1

[Report by Major I. Korotkikh under the "Direct Line" rubric: "Visit Will be Extended"]

[Text] Sverdlovsk—The first part of B.N. Yeltsin's working tour of Russia ended with his visit to Sverdlovsk.

Having visited Tataria, Bashkiria, and Komi ASSR [Autonomous Soviet Socialist Republic], the head of the Russian government came to the city whose working people had nominated him as RSFSR [Russian Soviet Federated Socialist Republic] people's deputy. During a meeting with Sverdlovsk Oblast and Sverdlkovsk City Soviet deputies, chairmen of city soviets in the oblast, and the public, the conversation concerned the implementation of the first laws adopted by Russian parliament. The most important of these is the Law on Russia's Sovereignty. Radical measures aimed at ensuring genuine political, social, and economic autonomy are starting to be implemented on its basis.

As is well known, the Russian government has refused services by most Union ministries. According to B.N. Yeltsin, Russia intends to suspend or review the operation of foreign political, foreign economic, and trade agreements, confining them to its own foreign ministry. It is planned to suspend assistance to other states and to demand compensation for debts and losses in foreign currency or goods connected with it.

B.N. Yeltsin spoke about future trends in the Russian parliament's activity. Laws already adopted by the Union which contradict Russia's interests, will be examined 3 September at the second session of the RSFSR Supreme Soviet. Their radicalization will be undertaken with the aim of "emancipating" regions and oblasts from the diktat of the central departments' monopoly. The "500 Days" program aimed at stabilizing Russia's economy and raising its population's living standards, will serve this goal.

In connection with ensuring Russia's sovereignty, B.N. Yeltsin mentioned the need to create a Russian army in the future. Answering questions from participants in the meeting, he stated that after agreements on the division of functions with the USSR MVD [Ministry of Internal Affairs] have been signed, Internal Troops servicemen drafted from RSFSR territory will not be sent to regions

of interethnic conflict or other "hotbeds" in the country. It is also planned to resolve this problem with respect to servicemen in the Soviet Army.

As far as allocations for the Defense Ministry's needs are concerned, B.N. Yeltsin's position is simple—a reduction in the military budget. In 1991 he intends to reduce it by 15-16 percent, and to achieve a complete ban on nuclear tests.

And one other problem remains unresolved. Despite the fact that the Defense Ministry is under USSR authority, defense enterprises on Russian territory will become Russian property. According to Yeltsin, the RSFSR government agrees that the enterprises and institutions that manufacture unique products and do not yet have counterparts in other areas can work for the whole country's needs for a while.

After a deputies' reception for the electorate and a meeting with the oblast leadership, B.N. Yeltsin left for Moscow. He will then continue his trip. He plans to visit the Kuzbass, Maritime Kray, Nakhodka, Sakhalin, the Kurils, and Kamchatka.

Arrives in Novokuznetsk 17 Aug

LD1708140790 Moscow Domestic Service in Russian 1300 GMT 17 Aug 90

[Excerpts] We have just received a report from Novokuznetsk: Boris Nikolayevich Yeltsin has arrived there, thereby starting the second stage of his working tour of Russia. Our special correspondent Sergey Omelchenko reports. [passage omitted]

I can add that, apart from the Kuzbass, Boris Nikolayevich Yeltsin will visit towns of the Far East.

Activities in Novokuznetsk Viewed

LD1808143390 Moscow Television Service in Russian 1700 GMT 17 Aug 90

[From the "Vremya" newscast]

[Excerpts] [First announcer] Our coverage of Boris Nikolayevich Yeltsin's tour of Russia continues. I note that in a recent article, the Moscow correspondent of L'HUMANITE, the newspaper of the French Communists, expressed surprise that Central Television was giving well-disposed coverage to this trip. Well, I ask you, has the Vremya program ever given unobjective, prejudiced coverage to meetings held between the leaders of our republics and the working people?

[Second announcer] Today Boris Nikolayevich Yeltsin arrived in Novokuznetsk.

[Begin Yeltsin recording] This is one of the difficult and complex trouble spots from environmental, social, and other points of view. We must meet and speak with people. Maybe we have decided here on some effective measures, to be implemented more speedily than those adopted before, in order to ease tension and improve the situation. We need joint measures to improve the life of people. [end recording]

[Second announcer] Judging by the preliminary program for the visit, Comrade Yeltsin will spend three days in the Kuzbass. He will meet leaders of the workers' movement and representatives of Soviet power in the Kuzbass. [passage omitted]

The workers' committees intend to seek the support of the chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet for the creation of a free enterprise zone in the oblast and to win freedom to take part in external economic activities and to set up a developed banking system. The workers' committees support Boris Yeltsin's intention to conclude direct contracts between Russia and other republics. [video shows Yeltsin near an aircraft, surrounded by pressmen and miners]

Tours Kuzbass Towns, Factories

LD1808093290 Moscow Domestic Service in Russian 0600 GMT 18 Aug 90

[Text] The working trip by Yeltsin, chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet, around Russia has begun. He is being received by the Kuzbass today. Boris Nikolayevich has already acquainted himself with the town of Novokuznetsk and the ecological, economic, and social problems of the industrial region. A conversation took place with the leaders of soviets, people's deputies, and representatives of the working movement. Methods for the region's transition to a market economy and the idea of creating a free economic zone in the Kuzbass were discussed.

Today, the head of the Russian parliament arrived in the town of Mezhdurechensk to acquaint himself with the working and living conditions of the miners and their problems. In the afternoon, Boris Nikolayevich Yeltsin will visit the West Siberian Metallurgical Combine, one of the biggest in the country. A meeting with the workers and management of the enterprise will take place there.

After Kemerovo Oblast, the chairman of the RSFSR Suprme Soviet is expected in the Far East.

Addresses Mezhdurechensk Public

LD1808170190 Moscow Television Service in Russian 1430 GMT 18 Aug 90

[Remarks by Russian Soviet Federated Socialist Republic President Boris Yeltsin in Mezhdurechensk, Kemerovo Oblast, on 18 August, from the "Vremya" newscast—recorded]

[Text] We open this bulletin with a report on Boris Nikolayevich Yeltsin's ongoing travels throughout the Russian Federation.

[Unidentified correspondent] Met by applause on the square in front of the Mezhdurechensk City Soviet building, Boris Nikolayevich is now heading for the city square, where the people of Mezhdurechensk are waiting for him. This is the very square where on 11 July last year the strike movement began. [video shows Yeltsin, surrounded by people, walking along square] [applause heard]

[Yeltsin] We cannot live like this. [applause] We have adopted the declaration on the state sovereignty of Russia, and we have rejected all Union bureaucracy, all Union bosses, and all ministries, apart from six. We do not need them and we do not intend to feed them. [applause]

Today 70 billion rubles leave Russia, and we do not know where they are going. Today many tens of thousands of millions in foreign currency leave Russia, and we do not know where. They are simply taking it away, from the miners as well, leaving them only 10 percent. [applause]

We do not want to feed them any longer, nor do we want to unleash this Union bureaucracy on the Russian level. We are simply saying that enterprises should be completely independent, and they themselves should dispose of their property—and their main property is the output that an enterprise produces. That is, miners should themselves dispose of their coal, and conclude agreements, and supply customers when it is advantageous for them to supply coal, and not by order from above. This is the most important—property. The Russian leadership has agreed to give such rights to Kemorovo miners, and not only to the miners but to the whole of Kemerovo Oblast. [applause]

That is, we see that the course of events cannot be mastered here with simple measures. It is not even huts, but some kind of hovels. It is genuine exploitation; it is simply mockery of people. And of course yet another decision was made a few days ago by the Union government, which does not carry them out constantly, but deceives. This cannot continue. We must travel an unusual, nonstandard path. The proposals by the people of Kemerovo, the oblasts soviet, and others—including yours—to give Kemerovo Oblast the right of independence to declare a free economic zone, a free enterprise zone, to give you the right to licensing, taxation, and international links as well, full rights—I personally agree with this, and when the session of the oblast soviet makes a proposal to the Supreme Soviet I will support this at the Russian Supreme Soviet. [applause]

Yes, maybe there was a time when it was necessary to help Central Asia and other republics get to their feet, but now we see that they are more steady on their feet than Russia. More steady, and in the social sense they are better provided for than, at least, Kemerovo Oblast, which is in 56th place with regard to the social provision of kindergartens, schools, hospitals, services, and so on and so forth.

Is it possible to endure, especially in such conditions of heavy work? I have not gone down any mines here. I have been in pits in Vorkuta, in the Yuzhnaya mine—I was there for five hours, and I understood how difficult it is to obtain coal. I would like very much that many leaders be dragged through that drift, which is only one meter 20 centimeters high, when I am one meter 87. I would like for many of them to go through this drift, five kilometers or so, and have a look at how miners work underground, and how much they earn, and most importantly how they live. No, this is no longer tolerable.

I understand your revolutionary explosion. I understand everything, including the strike movement which began here. All this is understandable. But the most important thing now is to undertake radical measures, and the Russian leadership and the Supreme Soviet and government have decided on this: on radical, rapid, energetic measures, nonstandard ones which will really provide possibilities for improving the people's positions in the very near future. [video shows Yeltsin speaking in front of crowd]

Interviewed in Novokuznetsk

LD1808181290 Moscow Domestic Service in Russian 1500 GMT 18 Aug 90

[Excerpts] Boris Nikolayevich Yeltsin, chairman of the RSFSR Supreme Soviet, left Novokuznetsk for Vladivostok today at the end of his visit to Kemerovo Oblast. Here is a report from our special correspondent Sergey Omelchenko:

[Omelchenko] [passage omitted] Here are some thoughts the head of the Russian parliament shared before flying out of Novokuznetsk:

[Begin Yeltsin recording] My impressions are pretty grim overall, though not the same throughout the different regions. One cannot talk in identical terms of the situation in Bashkiria, in Tataria, in Komi, in Vorkuta, in the Urals, or in the Kuzbass. There are many differences, but even so above all it is a question of neglect of the social sphere.

The super-concentration of industry in regions like Bashkiria, Tataria, the Kuzbass or the Urals has led to people finding themselves in conditions in which it is quite impossible to live today—impossible physically, psychologicaly or morally. And the distortions are now so acute that if measures are not taken rapidly, they will be taken by the people themselves. In other words, the situation will just erupt. And that will be, well... [changes thought] I do not know whether they will last for two years, whether they will credit us with trust for such a period of two or three years—not more, it goes without saying.

The whole country knows that the Kuzbass was the first to rise up, indeed when we were in Mezhdurechensk we visited the square where the first strike took place, the start of the second revolution. And that process is continuing, which indicates that people's patience has

reached its limit, and they are going in for such extreme measures. It is simply shameful to condemn them for that, in view of the fact that the anti-people policies pursued for so many years led to this state of affairs. If the people are now choosing this way to voice their protest one cannot blame them. We simply have to take the measures more quickly to put the situation right. [end recording]

[Omelchenko] And ahead now lies Maritime Kray, Sakhalin, the Kurils, and Chukotka. Boris Nikolayevich Yeltsin's working trip around Russia continues.

More on Novokuznetsk Activities

LD1808175890 Moscow TASS in English 1735 GMT 18 Aug 90

[By TASS correspondent Grigoriy Shalakin]

[Text] Novokuznetsk, Kemerovo region August 18 TASS—President of the Russian parliament Boris Yeltsin continued his working trip to the Kuzbass region today. Early in the morning, after visiting the transfiguration cathedral, which is being restored by Novokuznetsk residents, and talking with believers he came to Mezhdurechensk. The head of the Russian parliament met with acivists of the city from which the miners' strike spread to other coal fields last year.

Later, when visiting the children's hospital and learning about the difficulties facing the personnel, Yeltsin said that he would allocate 50,000 dollars from his London foundation for purchasing medical equipment. Aside from it, he will allocate part of the fee for his book "confession on a given subject", due to be brought out by a local publishing house, for the needs of Kuzbass public health services, M. Naydov, chairman of the executive committee of the Kemerovo regional council (soviet), told TASS.

During Yeltsin's conversations with scientists and specialists from various branches regional senior executives repeatedly raised the problem of new, non-traditional approaches to the development of the region. Agreement was reached on the creation of a free economic zone in Kuzbass in the near future. This issue will be discussed by the Kemerovo regional council late in August and then by the Russian Supreme Soviet.

Urges Kuznetsk Improvements

LD1908082190 Moscow Domestic Service in Russian 0520 GMT 19 Aug 90

[Text] You must agree that the intense journey of the chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet through the Russian Federation is proceeding with the rapid pace of the song, "If I will be," and Sergey Omelchenko, our special correspondent, reports on Boris Nikolayevich Yeltsin's stay in Kemerovo Oblast.

[Omelchenko] A whole package of proposals and ideas have been discussed and formulated in conjunction with local specialists here during Boris Nikolayevich Yeltsin's visit to Kemerovo oblast. All these ideas were devoted to lifting this unfortunate region of Russia. The main attention was focussed on the problems of people. After all, the working people of this industrial region of the country have a terribly unpleasant life. This is what Boris Nikolayevich Yeltsin said at a meeting with miners of the Raspadskaya colliery.

[Begin Yeltsin recording] I could not have circumvented the Kuznetsk basin, since there is here the beginning of a new revolutionary movement and very great dissatisfaction among the people. That is, difficulties, and the ecology, and living conditions, and there are so many problems that one could say a great deal. There is a vivid impression after 24 hours on this soil that the state, in the course of many decades, has been applying pressure for the sake of whatever its own interests were, and forgot about the people. And often living conditions were created that can no longer be tolerated.

Measures of an extraordinary nature must be adopted, since you have already had plenty of decisions in the Kuznetsk basin from the Council of Ministers, the Central Committee, etcetera, but unfortunately the efficiency coefficient of the fulfilment of these decisions is less than that of steamers. We must set out on new roads. And thus, holding discussions in Novokuznetsk with the oblast leadership, the town leadership and representatives of other regions, I am developing the opinion that there is only one way out—to grant Kemerovo oblast as a whole a special status, the status of a free economic zone, the status of free economic enterprise—so that you yourselves are responsible for what happens to you, for improving your life, for improvements in social problems and so on. That is, to grant you those degrees of freedom which you ask for and which you can swallow. Moreover, to decide this at the session of the Russian Supreme Soviet—right at this one—with a special law. I think that the Supreme Soviet will ratify this. I am firmly convinced that there is no other way out for you, since today the interests of the working people of the oblast as a whole are simply being frustrated, people who render 1.9 billion rubles to the public purse, to the state, that is, income exceeds expenditure. Simultaneously, people cannot provide themselves with the most elementary conditions and those barracks which I saw yesterday are, of course, a disgrace to all Soviet power and a disgrace to me and others, and, of course, it is impossible to live in them and things cannot carry on that way any more. [end recording]

[Omelchenko] On Sunday 19 August Yeltsin is being greeted by Vladivostok. The Far Eastern part of the working trip across the country of the chairman of the Supreme Soviet is beginning.

Comments on Social Issues

LD1908174390 Moscow Domestic Service in Russian 1500 GMT 19 Aug 90

[Interview with Boris Nikolayevich Yeltsin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, by Sergey Omelchenko on board Yeltsin's plane en route to Vladivostok on 19 August—recorded]

[Text] The head of the Russian parliament, Boris Nikolayevich Yeltsin, is continuing his trip around the republic. While in Kemerovo Oblast, he met representatives of the working class movement of the Kuzbass. As a result of keen debate and an exchange of views, an agreement was reached on plans to find a way out of the critical situation that has developed in the region. Vladivostok is the next stop for the chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet. Here is a report by our special correspondent Sergey Omelchenko from on board the plane.

[Begin recording] [Omelchenko] Boris Nikolayevich, you have completed two-thirds of your trip around the republic. Naturally, you will have a mass of impressions, thoughts, and notes that will be drawn together later. Incidentally, you are perhaps the first top Soviet leader to undertake such an extensive, thorough, and profound familiarization with the problems around the most important and painful spots of Russia. All the same, what are the main thoughts and results of the completed part of your journey?

[Yeltsin] First, the fact that in all regions there is an obvious lagging behind in social issues, in other words, issues of housing, kindergartens, and schools.

[Omelchenko] The Kuzbass is a region with one of the greatest concentrations of acute economic, social, and political problems. This morning you had a final meeting with representatives of the working class movement of the Kuzbass. What are its results?

[Yeltsin] Yes, the meeting today was of an unusual kind and the representatives of the working class movement spoke about their problems. It has so happened that they have found themselves in opposition to Soviet power and the CPSU, and all in all, somehow isolated, perhaps, in their movement toward society. This seemed rather strange in the Kuzbass, all the more so in a region in which people have fairly revolutionary feelings, from the point of view of their problems and toward the strike movement. So, I understand this anxiety and we evidently need, nevertheless, possibly through legislation, to support this working class movement, this workers' union, and the workers' committees, which can undoubtedly have a very great influence on the renewal of our society as a whole.

[Omelchenko] Boris Nikolayevich, Vladivostok will welcome you today. Incidentally, is this the first time you have visited the Far East?

[Yeltsin] Yes, it is.

[Omelchenko] What program lies ahead?

[Yeltsin] Vladivostok, Nakhodka, Sakhalin, the Kurils, Kamchatka.

[Omelchenko] Naturally, you have prepared for this trip. What in your view will be your most interesting meetings?

[Yeltsin] I think the most interesting meetings will be on matters regarding the law adopted by the Russian Supreme Soviet on the status of the free economic zone in the Far Eastern zone, as a whole, and in Nakhodka and in Sakhalin as well. This is a very interesting problem and it seems to me that the way it is seen by the inhabitants and scientific workers of the Far East is of the greatest interest. Of course, the two most major areas, both of great significance and which have problems, are fishing and forestry.

[Omelchenko] Well, I wish you success on your visit and success (?to the work you have undertaken).

[Yeltsin] Thank you. [end recording]

Arrives in Vladivostok 19 Aug

LD1908190690 Moscow Domestic Service in Russian 1800 GMT 19 Aug 90

[Excerpts] Boris Nikolayevich Yeltsin, head of the Russian parliament, continues his tour of the republic. [passage omitted]

Today Boris Nikolayevich Yeltsin arrived in Vladivostok.

Discusses Free Enterprise Zone

LD2008054790 Moscow Domestic Service in Russian 0500 GMT 20 Aug 90

[Text] The problems of setting up a free enterprise zone in the Far East will be discussed today by representatives of local bodies of authority, public organizations and movements, headed by Yeltsin, the head of the Republican parliament.

I remind you that Boris Nikolayevich is in Nakhodka. He will also visit Sakhalin, the Kurils, and Kamchatka.

Russian Party Congress To Reconvene 4 Sep

LD1808141890 Moscow Television Service in Russian 1700 GMT 17 Aug 90

[From the "Vremya" newscast]

[Text] The date for the second stage of the inaugural congress of the Russian Communist Party has been fixed. It will convene on 4 September this year in Moscow. This decision was taken at a meeting of members of the RSFSR [Russian Soviet Federated Socialist Republic] Communist Party Central Committee held in

the capital today. The meeting was addressed by Comrade Polozkov, first secretary of the RSFSR Communist Party Central Committee.

Polozkov on Preparations for Russian Congress

LD1708194690 Moscow TASS in English 1901 GMT 17 Aug 90

[By TASS correspondent Lev Aksenov]

[Text] Moscow August 17 TASS—The forthcoming second phase of the Founding Congress of the Russian Communist Party marks the first time that the existence of at least four ideological currents in the republican party has been officially recognised.

This was illustrated here by a meeting of the party's Central Committee, dealing with the preparations for the second phase of the congress.

The elaboration of the new party's action programme involved representatives of the section of reform-minded Communists from the Democratic Platform, the preparatory committee of the founding congress, the Marxist Platform and the Initiative Congress of the Communists of Russia.

Despite the fact that advocates of these currents adhere at times to diametrically opposing points of view on ideological work and on ways to solve socio-economic issues, they succeeded in jointly preparing a progamme that will be brought up for consideration during the second phase of the party forum.

They, however, failed to work out a unified position on a number of issues, for example, those concerning the transition to a market economy. Therefore the text of a draft action programme which will be published soon will include alternative proposals.

"A large amount of work has been done," Soviet Communist Party Politburo member and Russian Communist Party chief Ivan Polozkov told TASS.

"More than 300 people are taking part in preparing the second phase of the congress. It must be pointed out that all comrades worked to full effect and unpaid.

"Scientists, representatives of the working class and farmers were invited to participate in the effort. The main task was to prepare a unified document and it has been accomplished," Polozkov said.

At the same time, Polozkov admitted that the draft programme also has "weak points" and that, in his view, the document is sure to be criticised.

Polozkov suggested holding the second phase of the congress in Moscow on September 4-6. The first phase of the congress was held in June.

Justice Minister on Need for State Structures

LD2008082990 Moscow TASS in English 0749 GMT 20 Aug 90

[By correspondent Lev Aksenov]

[Text] Moscow August 20 TASS—"The setting up of normal statehood through radical economic reforms coupled with the forming of stable state structures is a priority for the Russian government," Russian Federation Justice Minister Nikolay Fedorov told TASS.

Russia needs its own foreign economic bank, the 32-year-old official said.

"We need our own power structures to thwart arbitrariness on the part of central authorities," he said.

"For instance, the sale of Russia's natural resources, including gold and diamonds.

"The presidium of the Russian Federation Supreme Soviet has declared such deals, not approved by Russian authorities, invalid, but we don't yet have a structure to enforce the decision," he said.

"It is necessary to block such illegal actions with the help of independent Russian law enforcement bodies."

In order to protect its economic sovereignty, Russia will set up a state committee on public security and cooperation with the Soviet Defence Ministry and KGB, he said.

At the beginning of its first session, scheduled for September 3, the Russian parliament is expected to nominate the committee chairman.

The chairman will set up local structures to protect economic security.

"These officials will block illegal decisions, concerning for instance the import of natural resources, gold, diamonds and other strategic materials not approved by Russian or local authorities," Fedorov said.

He praised talks underway between constituent republics on signing bilateral agreements.

"If we want to rescue the Union of Soviet Republics in this or that way there is no other alternative but to begin bilateral and multilateral talks beween the subjects of the federation.

"Any attempt to dictate the terms of these talks and the new Union accord on the part of central authorities, who represent God knows whose interests, will only worsen the situation and hamper the negotiating process," Fedorov said.

The new Union accord should be based exclusively on bilateral and multilateral agreements and economic interests of the constituent republics.

"Many republics, if not all, have decided which powers they are prepared to delegate to central bodies," he continued.

"In 90 per cent of cases these spheres coincide—defence, to a certain degree—state security, and some industries," he said.

"Central bodies are the major obstacle on the road to a settlement."

RSFSR Decision on Foreign Deals Questioned

PM1708123590 Moscow PRAVDA in Russian 12 Aug 90 Second Edition p 3

["Our Commentary" on the Russian Supreme Soviet Presidium Resolution on Foreign Economic Agreements and Deals, published under the general headline: "Declared Invalid"]

[Text] Certainly, there is in the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet Presidum decision a handsome determination to observe the republic's sovereignty. On first reading it is hard not to agree with this decision. Indeed, for years now we have seen ministries, departments, and individual enterprises not even under Union jurisdiction give scant consideration to the interests of the republic or region where the subject of the agreement is situated when implementing foreign economic deals.

The declaration on RSFSR state sovereignty implies that no foreign economic deals can be implemented without the participation of Russian management organs. But it must not be forgotten either that it has not yet been reinforced with legally binding acts, that is, with a mechanism of execution. That is number one. Second, it is easy to see that the RSFSR Supreme Soviet Presidium decision could also harm Russia. Will its foreign economic partners want to have business contacts with us in the future on encountering such administrative-edict actions?

And a final question: Can the RSFSR Supreme Soviet Presidium, which has already declared invalid foreign economic agreements and deals "for the sale of diamonds, precious and other metals, oil, gas, uranium, and other strategic resources and commodities extracted and produced on Russian territory which were concluded after the adoption of the Declaration on the State Sovereignty of the RSFSR," authoritatively state that all these deals and agreements are disadvantageous as far as Russia is concerned? Maybe one ought, while suspending the action of these deals and agreements, first check on their advantages and only then make a decision?...

Festina lente [Latin: Make haste slowly], as the ancients used to say.

Finance Minister on Banking, Monetary System

PM1708131490 Moscow MOSCOW NEWS in English No 32, 19-26 Aug 90 p 5

[Interview with RSFSR Finance Minister Boris Fedorov by Andrey Borodenkov; place and date not given: "A War of Banks in the Offing?"]

[Text] The sovereignty of Russia declared at the First Congress of its deputies covers its finances too. And the move is threatening to pull the plug on the central authority. Some are predicting a war of the banks. The recent Presidential Decree on cooperation on credit and finances between the federal and republican bodies while a new Union Treaty is being drafted is couched in admonishing tones and thus it confirms the fear. Is a war of banks in the offing? We asked Russia's finance minister Boris Federov.

[Federov] There is no war of the banks. The federal government refuses to see that we are a sovereign state, and continues to act in the old way. Take its recent decision on the running of the Zhilsotsbank system on commercial lines. Not a bad idea per se. But since it is to be introduced in Russia, among other places, Russia should have the last say. Commercial lines are OK, but our banks are supposed to benefit Russia, and it would have been advisable to discuss with us how to make the bank depend on sales of shares and its management independent. This was not done, which is unethical to put it mildly.

[Borodenkov] What was your response?

[Fedorov] Our response flows from the sovereignty declaration which states that the Zhilsotsbank in Russia will be run by Russia. We shall enforce this line. There is the State Bank of the RSFSR [Russian Soviet Federated Socialist Republic], even if it has not yet been staffed and has no capital of its own. The central authority should be entirely different: it should be an advisory body, without dictatorial powers or the right to issue money. It could be a council of central republican banks, a coordinating body. But some say there should be one central bank. Yet the USSR is a union of states. What is a state that has no coffers or its own? The banking system in the republics is being revamped along these lines. But the centre continues to sing its own song, oblivious of the chorus—it is trying to push through the obsolete bill on banks. If things go on like this, the USSR State Bank may find itself out of the running.

[Borodenkov] Does the Presidential Decree amount to a desire to preserve the USSR State Bank monopoly?

[Fedorov] I don't think so. The decree voices absolutely reasonable fears about the chaos that could result from the hasty restructuring of the banking system based entirely on ethnic or regional interests.

At the moment all the capital is being kept in one pool. This determines the entire system of credits and payments. The system is obsolete of course, but it operates.

If we are too hasty in taking it apart, the economy will become paralyzed. We shall have to divide it up after all, but now there are no laws and no programme.

[Borodenkov] When are these likely to be formulated? The president is asking that no laws be added or amended until after a new Union Treaty has been Concluded. Does this mean freezing the reforms?

[Fedorov] No. The Russian parliament has instructed us to draft a package of bills and resolutions on the economic and banking reforms by this autumn. A new credit and payment mechanism of sovereign Russian should be started and adjusted to a market-system conditions by January 1, 1991. Work is going on in the parliamentary commissions and committees, in the government and the RSFSR State Bank.

[Borodenkov] So, the Presidential Decree is not for you to obey?

[Fedorov] We have to obey it. But as I see it, we can't sit waiting for the Union treaty to be passed. We must move forward. It's wrong to first have the treaty and only then start drafting a mechanism for cooperation between the republics and the centre. What kind of a treaty can there be, if we haven't all first agreed on, say, the banking system?

[Borodenkov] What's the attitude of the other republics?

[Fedorov] Many have expressed a wish to have one monetary system. But they are sapping the existing one by insisting on their own money, which further diminishes the power of the rouble.

[Borodenkov] Speaking as equals, the republics can find a common language. But what about their dialogue with the centre which is still in the habit of telling others what to do? All the limits it imposes are on the republics. It doesn't say that the federal government should not be in a hurry to churn out new laws.

[Fedorov] You are right. All further developments depend on the position of the USSR Council of Ministers. The centrifugal processes around the country may become irreversible if the government continues to produce decisions without consulting the republics. There are real grounds now for cooperation with the federal government and the President. An ad hoc team of experts to draft the USSR economic reform strategy has been set up and it could offer the republics by this September a plan of joint actions. It may include steps to preserve and invigorate the uniform monetary system. But a plan is far from being the most important thing. It can't rid us of the political haggling, the war of decrees and, perhaps, a war of the banks, if there is no real transition to a market system which alone can make all of us finally consider one another's interests.

Ryzhkov Visiting Ryazan Oblast 18 Aug

LD1808083790 Moscow Domestic Service in Russian 0800 GMT 18 Aug 90

[Excerpt] Nikolay Ivanovich Ryzhkov, USSR chairman of the Council of Ministers, is touring Ryazan oblast today. He is now in Pronskiy rayon, at the New Life state farm. [passage omitted]

Lukyanov Tours Karachayevo-Cherkess Oblast

PM1708152890 Moscow IZVESTIYA in Russian 16 Aug 90 Morning Edition p 2

[TASS report: "A. Lukyanov in Stavropol Region"]

[Text] Cherkessk (Karachayevo-Cherkess Autonomous Oblast), 14 Aug—Karachai, Cherkess, Abaza, and Nogai villages have since time immemorial existed alongside Cossack villages in friendship and accord in the multinational Karachayevo-Cherkess Autonomous Oblast. But why in recent time has the shadow of misunderstanding and disagreement sometimes crossed the faces of the hill dwellers? It was on precisely this question that anxious attention was focused at meetings held with A.I. Lukyanov, chairman of the USSR Supreme Soviet, who has been on a tour of the autonomous oblast.

A.I. Lukyanov talked with crop farmers and stockraisers and visited transhumance pasture, where in the summer they keep on the abundant alpine mixed grasses numerous meat and dairy herds, sheep flocks yielding truly a golden fleece, and the pride of the hill dwellers—herds of horses. And the kolkhoz [collective farm] members and sovkhoz [state farm] workers stressed that the legislative acts on land, ownership, and leasing adopted by the USSR Supreme Soviet are unfettering peasant labor and clearing away obstacles so that at last the acuteness of the population's food supply situation can be reduced.

On visiting the Cherkessk chemical production association A.I. Lukyanov exchanged opinions with the workers, engineers, and technicians about how to reach "consensus" on the need to enhance the chemical sectors of industry and the urgent need to improve the environmental situation. There were also meetings with activists of social movements, the intelligentsia, workers of party, soviet, and trade union organs, veterans, and young people. He went to local tourist health complexes and visited the high mountain passes, where very heavy fighting for the Caucasus took place during the Great Patriotic War.

The USSR Supreme Soviet chairman addressed a meeting in Cherkessk with representatives of the autonomous oblast's labor collectives. A comradely exchange of opinions was held on how to redress the negative processes in the economy and consolidate society. The most important questions were the renewal of the Union treaty, ensuring coordination between the actions of the center and Union republics, and the switch to a regulated market economy, where success can be achieved only on

the basis of decentralization, destatization of the means of production, all-around support for entrepreneurship, price reform, and well-considered measures concerning the population's social protection.

At the present time, A.I. Lukyanov reported, USSR Supreme Soviet committtees and commissions have started studying the draft Law "On the Basic Principles of Soviet National Autonomy." The aim is to ensure strict observance of the principle of equal representation of all peoples, irrespective of their numbers, in Union-wide and republic legislative organs. The rights and the extent of responsibility of autonomous republics and oblasts should be clearly defined, the role of national languages and cultures enhanced, the increase in religious activity taken into account, and falsification of history resolutely done away with.

It is necessary not just to go forward, but to accelerate.

The participants in the meeting came to the unanimous conclusion that all national and socioeconomic problems should be tackled only with good will and the assent of the people .

A.N. Lukyanov answered numerous questions from participants in the meeting.

Democratic Platform Discusses Russian Tour

PM1908182690 Moscow KRASNAYA ZVEZDA in Russian 10 Aug 90 First Edition p 1

[Report by unidentified correspondent under the "Direct Line" rubric: "'Pleased, But...'"]

[Text] Our newspaper has reported the tour of cities in the Urals, the Volga region, Siberia, and the Far East by a group of people's deputies and leaders of the "DP" ["Democratic Platform"]. A news conference which members of the "DP" Coordinating Council gave in Moscow was devoted to the results of that tour.

One of its participants—V. Lysenko, Russian Soviet Federated Socialist Republic People's Deputy and delegate to the 28th party congress—told journalists that the idea of the tour came into being precisely during the party congress. "It was interesting to learn what people in the depths of Russia think, how they perceive our ideas, and how ready they are to support the Russian parliament and 'DP.'"

In the space of 12 days the "DP" activists visited 19 cities, held approximately 75 meetings, and, on the whole, remained pleased with the results of the work done. But... The tour members were distressed at the weakness of the "DP's" organizational structures. They also complained that workers remained indifferent to their visit in certain cities, particularly Novokuznetsk, and that the VUZ [higher educational institution] intelligentsia is the "DP's" only real main base today. According to USSR People's Deputy S. Sulakshin, one of the chief purposes of the tour was to "stimulate these processes and propagandize our movement."

Journalists never did receive an answer to the question of how many "DP" members have been registered to date. But the policy of leaving the CPSU, depoliticizing the Army, the KGB, and the Ministry of Internal Affairs, and dividing up the Communist Party's property was reaffirmed.

Expounding the concept of the future party of which the "DP" will form the basis, V. Lysenko said, in particular, that, first, it will be a parliamentary party. Second, it will be neither a communist nor an anticommunist party—"which distinguishes us from the party of Travkin and Kasparov, whose speeches are very strong on anticommunist features." And, third, it must be a left-centrist party, not a left-radical one, like many newly emerged parties. One of its chief tasks is to support the Russian parliament and the course being pursued by the Moscow, Leningrad, Sverdlovsk, and Tomsk city soviets of people's deputies.

Cooperation With RSFSR Social Democrats Noted

PM1908194690 Moscow PRAVDA in Russian 15 Aug 90 Second Edition p 3

["Discussion Sheet No. 59" article by RSFSR (Russian Soviet Federated Socialist Republic) People's Deputy V. Vorontsov under the rubric "How We Cooperate With Social Democrats": "Must We Pull the Blanket Over Ourselves?"]

[Text] Today the multiparty system is increasingly leaving the theoretical, unusual, shocking category and becoming a reality of our political life. The number of newborn parties is growing every month. Undoubtedly they will not all stand the test of time and of the people's support: Some will cease to exist without encountering the population's understanding, without demonstrating that they are needed or producing real results from their activity; some, on the contrary, will become a permanent force in society which both the ruling party and the parties in opposition will have to take into account; some will unite on the basis of common aims and tasks. But these are all matters for the future. Today, probably for the first time in 70 years, the question of relations among the parties and factions that already exist, although they do not yet have a clearly defined political platform, is arising most acutely.

Anticommunism is a shaky and hardly constructive platform, because criticism of others' mistakes and their exploitation is not a platform but merely a popular slogan. A system of views and approaches can only become a political platform when it is enriched with specific aims and tasks, the mechanisms for achieving them, and, most importantly, constructive and realistic proposals for eliminating the existing negative trends.

Today not one of the parties which have been and are being newly formed has a clear platform, merely a list of intentions, among which one of the most important components is missing—mechanisms of cooperation and interaction with other parties. Mutual accusations,

which frequently take the form of groundless insults, are probably capable of increasing the confidence of supporters of a particular party but cannot improve the position of the people, the protection of whose interests each party proclaims as its chief and sole aim.

This is why a realistic approach to the country's future is needed specifically today, and this is why it is necessary to move on today from theoretical disputes to the practical implementation of the common task of improving the economic and social position of our country's peoples. Today it is possible and necessary to demonstrate the rightness of one's ideas only through actions, not through words or promises.

The most farsighted and responsible politicians are obliged to take account of the consequences of the present confrontation if they really think of the country's destiny and future and do not confine themselves to instant illusory tactical victories. Society's salvation during the transitional period consists not in exacerbating or maintaining the strained relations, to put it mildly, that exist among parties but in seeking points of contact, drawing them closer, and consolidating efforts.

One of the first such attempts at joint action occurred not so long ago—21 July, in Orenburg. I will venture to cite in full a brief report in the newspaper YUZHNYY URAL. Because it was unusual it at once attracted public attention in the oblast.

"On a Working Meeting of Representatives of the CPSU Obkom [oblast party committee] and the Board of the Oblast Organization of the Social Democratic Party of Russia.

"On 21 July 1990 there was a working meeting of representatives of oblast organizations of the CPSU and the Social Democratic Party of the Russian Federation.

"During the meeting an agreement was reached to hold regular meetings and consultations between the two party organizations, and their provisional standing orders were defined.

"The main topic of the working meeting was the question 'On the Mechanism for Realizing the Multiparty Principle in Orenburg Oblast.' An agreement was reached to hold a 'roundtable' on oblast television, with the parties' representatives expounding their assessments of the sociopolitical situation in the oblast.

"The topic of the next meeting and its date were decided.

"The first working meeting took place in a businesslike and constructive atmosphere.

"Participating in the meeting were: for the CPSU obkom—V.A. Meshkov, head of the Ideological Department; I.P. Pryadkin, deputy head of the Party Organizational and Cadre Work Department; and N.G. Kotov, sector head of the Ideological Department of the CPSU obkom; for the board of the oblast organization of the Social Democratic Party of Russia—Yu.B. Viselga, L.V. Grishayenko, and Ye.F. Polshchikov, cochairmen of the board.

"Present at the meeting was RSFSR [Russian Soviet Federated Socialist Republic] People's Deputy V.A. Vorontsov, chairman of the RSFSR Supreme Soviet Subcommittee for Liaison with Public Organizations and Trends and the Study of Public Opinion."

As a participant in the conference, I must say a few words, at least, about the three specific results produced by the first meeting.

First, a start was made on an interested and objective assessment of the two parties' real positions. Here relations were elucidated in a civilized manner—around a negotiating table, not in heated rally polemics which, as the experience of the past two years shows, are capable of rousing the masses and pushing them into all sorts of demonstrations and economic and political demands but cannot raise people to a level of awareness of their responsibility for the country's future.

Second, the two hours of debate resulted in the drawing up of provisional standing orders for the two parties' working meetings, whereby representatives of the two sides take it in turns to chair each two-hour meeting.

The date, time, and place of the next meeting are determined jointly. If necessary, an extraordinary meeting may be held at the suggestion of one side. Each side keeps its own minutes, and then an agreed report is drawn up for the mass media. Each side refrains from commenting on the questions on which the sides failed to reach agreement. At the same time each side's representatives seek to hold the meeting constructively, refrain from impolite expressions, and use in their arguments only verified objective information and data. The basic principle is to reach consensus.

Third, in accordance with the agenda of the first session, an agreement was reached on coverage of both parties' materials in the existing mass media. Mindful of the fact that, owing to the extremely neglected state of the printing base, there is no very imminent prospect of parties other than the CPSU—which already has them—creating their own newspapers and radio and television channels, the working meeting arrived at a three-point agreement:

1. Unobjective coverage of the positions of political parties and movements in mass media belonging to either of the parties is to be considered inadmissible.

2. Reply articles in mass media which are organs of a specific party are to be made possible.

3. Equitable conditions are to be ensured for the publication of items reflecting the political parties' views on specific questions for discussion in oblast, city, and rayon newspapers until the creation of their own mass media by political parties and sociopolitical tendencies,

because such an approach can ensure the fulfillment of the requirements of pluralism of opinions.

It strikes me personally as important that confrontation between leaders is being replaced by the consolidation of efforts to stabilize the situation in society.

Western Republics

Revote Scheduled in Belorussian District

90UN2562B Minsk SOVETSKAYA BELORUSSIYA in Russian 15 Jul 90 p 1

[Unattributed report: "In the Central Commission on Elections of Belorussian SSR People's Deputies"]

[Text] A session of the Central Commission on Elections of Belorussian SSR [Soviet Socialist Republic] People's Deputies was convened on 13 July.

A review of statements arriving at the Central Commission in connection with the 30 June conduct of elections of a USSR people's deputy from Kalinovskiy Electoral District No. 29, city of Minsk, was conducted and the results of this review examined. It was established that certain precinct electoral commissions of this district unjustifiably excluded voters from the voter rolls. More than 900 voters were excluded in this manner from the rolls in electoral districts No. 28, 29, 30, and 33.

But even in view of this, the number of citizens who participated in the voting 30 June exceeded half the number of voters entered on the rolls by just 38 people. Formally, this enabled the okrug electoral commission to declare the elections valid.

Having established instances of unjustified understatement of the total number of voters, the Central Commission declared the elections of Belorussian SSR people's deputy conducted 30 June 1990 in Kalinovskiy Electoral District No. 29, city of Minsk, to be invalid. The 4 July 1990 resolution of the Central Commission was repealed in the portion in which I.F. Matskevich was registered as Belorussian SSR people's deputy.

With respect to the Belorussian SSR Supreme Soviet Resolution of 10 July 1990 "On the Premature Termination of Authority of the Belorussian SSR People's Deputy from Ivanovskiy Electoral District No. 120 of Brest Oblast," the Central Commission resolved, based on Article 58 of the Law on Elections, to set elections for people's deputy in this district for 7 October 1990.

Alleged Censorship in Belorussian Parliament

90UN2562A Minsk SOVETSKAYA BELORUSSIYA in Russian 15 Jul 90 pp 1, 3

[Article by BELTA parliamentary correspondents V. Bogdanov and A. Kryzhanovskiy: "What Does Glasnost Cost? (or Why Is the Parliament Meeting Behind Closed Doors?)"]

[Text] At the beginning of the 13 July evening session, at the request of a group of parliamentarians the floor was given to Deputy Z. Poznyak. He stated:

"In my opinion, attempts are beginning to be made in the Supreme Soviet to introduce censorship in the lawmaking activity of people's deputies. I handed over to the Secretariat the draft text of the 'Declaration of Belorussian State Sovereignty,' signed by 35 people's deputies, for copy reproduction. This text was adopted at a conference of the Belorussian People's Front (BNF). As Deputy V. Kudryavets, chairman of the Secretariat, told me, it was decided to send the text to scholars for review. On 12 July the recension was distributed to the deputies. Written on the first sheet was 'Prepared at the request of the Belorussian SSR [Soviet Socialist Republic] people's deputies.' It is not clear whose request this was, since that did not appear, and the text was not signed by the deputies for reproduction as regulations require. It was distributed anonymously. In consideration of this attempt to impose censorship on deputies' drafts, in the name of the BNF deputy group and the name of those who signed the draft text for reproduction, I protest the actions of the session's chairman of the Secretariat."

V. Kudryavets explained:

"I would like to remind you of the fact that Article 100 of our regulations states: 'In necessary instances, draft laws are sent out for scholarly expertise...' And this is what was done, insofar as practically all documents must be dispatched for finishing touches and have experts and scholars draw conclusions in their regard.

"The draft we are talking about was not prepared by the people's deputies. It refers to events that took place 100 and 200 years ago. We know that historical events, especially those related to changes in sociopolitical structure and the activity of certain historical personages, are interpreted today in a variety of ways, sometimes diametrically opposed. So do we have any right in this instance to consider what was adopted at the BNF conference as the truth? A group of deputies therefore approached scholars and specialists. I see no encroachment here upon the rights of people's deputies, nor do I see attempts at censorship in the sense Deputy Poznyak suggests."

I. Korotchenya, chairman of the Commission on Glasnost, Mass Media, and Human Rights, then addressed the session:

"Our commission gets questions from the voters—'What does glasnost cost?'; 'What does one day of radio and television broadcasting of the session cost?'; 'How much money has already been spent on the meetings?'; 'Glasnost is fine—but the results are more important than the process. We are tired of the sheer politics in all these television programs.' I must reply that one day of television transmitting costs 14,600 rubles, another 1,200 rubles for radio broadcasting; in all approximately 580,000 rubles has been spent since the session began."

In the name of the commission, Korotchenya proposed that the previous procedure for television and radio broadcasting be maintained. But it was decided to conduct the 13 July evening conference in closed session.

It turns out the need arose to examine "money" matters on an urgent basis—"On the Temporary State of Supporting the Activity of Belorussian SSR People's Deputies."

Prior to the 14 July morning session, also a closed session, we asked a few people's deputies to share their impressions of the preceding day.

N. Kolbasko: "Yesterday I voted against closed session. But now I am happy the voters did not see how the discussion took place. Practically nothing constructive was said during these two hours."

N. Dementey: "This is standard procedure. What we are presently contemplating has never been seen in the republic."

N. Kryzhanovskiy: "I too see nothing horrible in the fact that we discussed this particular question in closed session."

The plenary session of the morning of 14 July lasted about 40 minutes—a quorum was not obtained.

Gagauz Congress Declares Foundation of Republic

LD2008100190 Moscow TASS in English 0932 GMT 20 Aug 90

[By TASS correspondent Fedor Angeli]

[Text] Kishinev August 20 TASS—The First Congress of Deputies of the Gagauz people, meeting in the city of Komrat, announced the foundation of the Gagauz Republic on Sunday.

A declaration "on the freedom and independence of the Gagauz people from the Republic of Moldavia", passed by the congress, stresses that acts passed by the Moldavian parliament do not consider the interests of the Gagauz people and other ethnic minorities.

In its July 27, 1990 resolution, the Moldavian parliament, which discussed Gagauz autonomy, failed to recognise the right of the Gagauz people to autonomy within Moldavia and defined them not as a people, as is written in the republic's constitution, but as an ethnic group living on Moldavian territory and not having a national territory of its own, it said.

The congress set the elections to the Gagauz parliament for October 28, 1990.

It also decided to send message to President Mikhail Gorbachev, the USSR Supreme Soviet and republican parliaments asking them to recognise the Gagauz Republic as part of the Soviet Union.

Ukraine's Kravchuk Warns Against 'Lawlessness'

90UN2620A Moscow SOVETSKAYA KULTURA in Russian No 32, 11 Aug 90 pp 1,2

[Interview with Leonid Kravchuk, chairman of the Ukrainian Supreme Soviet, by SOVETSKAYA KULTURA special correspondent Oleg Gusev, published under the rubric "Political Dialogue"; place and date not given: "Sophistication of Democracy or Extreme Measures?"]

[Text] Whatever you may say, you cannot envy a man whose first day in a new position begins with a ChP [extraordinary event]. L. Kravchuk's assumption of the position of chairman of the Ukrainian SSR [Soviet Socialist Republic] Supreme Soviet was "marked" not by one but, by the most modest estimates, by several events which stirred up not only Kiev but the entire republic.

On the morning of 24 July the electrical transport drivers of the capital of the Ukraine went on strike. By the end of that same day their demands had been satisfied for the most part. But later the Kiev trolley buses were brought to a halt: Their movement was blocked by citizens who gathered on the main square when a blue-and-yellow cloth was raised over the building of the gorispolkom [city soviet executive committee]...

[Gusev] Leonid Makarovich, what is your reaction to what has happened?

[Kravchuk] The sophistication of a man and the sophistication of his acts are undoubtedly related, a fact which has once again been confirmed by the events you have mentioned. What can one say—unfortunately, today many people do not have a basic respect for the law. And not just those who went on strike or took part in unsanctioned activities, but also representatives of the upper echelons of administration or, to put it more simply, the chiefs. The strike of the electric transport drivers simply would not have happened if the workers of the gorispolkom had reacted in a responsible and timely manner to the inquiries of the drivers of the streetcars and trolley buses. It seems that the situation, which paralyzed all of working Kiev, was examined in the gorispolkom and the gorkom [city party committee] only after the transport drivers had gone to extreme measures. Then the party gorkom began to act with evident slowness, and it adopted a condemnatory decree in the old fashion.

[Gusev] So are we speaking about timeliness of reaction by the powers to events taking place, or should the problem be put in a broader manner—should we talk about foresight and the sophistication of strategy?

[Kravchuk] As you mention, that day ended with a mass demonstration by residents of Kiev in front of the gorispolkom. And the reaction to the raising of the blue-and-yellow flag testifies specifically to the absence of a proper understanding of both higher and lower links in the establishment of priorities and of a respect for law.

The resolution of the issue of a national flag is under the sole jurisdiction of the supreme organ of state power in the republic—its Supreme Soviet.

Residents of Kiev, like the residents of many cities and villages of the country, are worried primarily about the growth of crime, deficiencies in trade, and the great number of shortages, from goods to gasoline, and the capital of the Ukraine is widely affected by the confusion in repairing housing and restoring roads... The raising of that flag in the center of Kiev showed, above all else, plain disrespect for the city powers (it certainly was not in accordance with a ruling of the Kiev Soviet Presidium!). As a result the blue-and-yellow flag was raised before a huge crowd of people who stopped movement on the main square, but the problems of which we were speaking before remain unresolved to this day.

Now that the Declaration on Ukrainian Sovereignty which was recently adopted by the Ukrainian SSR Supreme Soviet offers additional opportunities for resolving many urgent problems, I am convinced that we should make use of it with great circumspection and a consciousness of the consequences which cannot but have wide social impact after some hasty decisions.

An example: Not just individual citizens but residents of streets and rayons and whole organizations are speaking out against lawlessness and confrontation. However paradoxical, at times they embark on a principled dispute even with their own former good neighbors. The events in Chervonograd near Lvov are proof of that. There they talked of dismantling memorials to V.I. Lenin and K. Marx, moving the gorkom from buildings that are the property of the Ukrainian Communist Party, depoliticizing enterprises and organizations, eliminating the party and Komsomol committees at enterprises and organizations, and terminating the activities of Komsomol and Pioneer organizations in the city's schools. Although there was repeated talk of democracy, glasnost, and pluralism, representatives of the council of veterans of war and labor who tried to present their point of view were not given the floor.

Apparently the Chervonograd session, without a moment's doubt, "adjusted" the priorities and occupied itself with examining purely political issues to the neglect of economic issues. Moreover, it had a stake in inflaming political passions. A group of Chervonograd Communists arrived in Kiev with this opinion in order to inform the Ukrainian SSR Supreme Soviet, the republic procurator, and the Ukrainian Communist Party Central Committee of the complexity of the situation. This opinion was met with understanding here.

[Gusev] And how are a person's constitutional rights to be defended in this type of event?

[Kravchuk] In any critical situation this problem of defending a person's rights must be of primary importance. Without that, democracy can turn into mob rule. This demands both courage and organization on the part of Communists. Because we are currently seeing attempts to launch an anticommunist campaign, a "witch hunt," that are, in my opinion, extremely dangerous symptoms in a situation of instability. On the other hand, of course, it is important to demonstrate tolerance for other opinions if they are of a basically socialist nature.

Recently, when I was still working as secretary of the Ukrainian Communist Party Central Committee, I met with representatives of the Democratic Bloc, many of whom were elected Ukrainian SSR people's deputies. The leadership of the republic promised them support in order to make greater use of the potential of the Democratic Bloc in the work of the republic's parliament. Today they are working well in many of the standing commissions of the Ukrainian SSR Supreme Soviet. That is to say that in this situation, which some unsuccessfully tried to aggravate, common sense and political sophistication were nonetheless victorious. In practice it works this way: If a reasonable decision is proposed by the communist deputies, the representatives of Democratic Bloc immediately support it. And vice versa.

Incidentally, at a past session of the Ukrainian SSR Supreme Soviet that was quite stormy and, in my opinion, too prolonged, we had the opportunity more than once to note the lack of such qualities in deputies of the most varied political orientations. It is as if many speakers forgot during parliamentary squabbles that, thanks to television, they were being viewed by millions of people. And there is no telling how the words they spoke will affect people. They were wrong to ignore this because even the chairman of the session could not help but cry from time to time: "Turn off the first or the third microphone."

[Gusev] Incidentally, what is your reaction to the very "high-handed" approach at the session?

[Kravchuk] I promised myself never to make use of that right of the chairman, but often those present in the hall themselves provoke such undemocratic actions, and the commission for deputies' ethics is sometimes clearly too lenient toward such actions. As a result there was often a lot of noise and showy declarations in the hall to the detriment of constructive work. By constructive I mean directed at consolidating all to whom the interests of perestroyka are dear.

[Gusev] But you certainly must have some positive goals too...

[Kravchuk] Of course. As we begin work implementing the Declaration on the Sovereignty of the Ukraine, I believe that first of all we need to dot the i's on the most important question of our further life, emphasizing the most constructive approaches. The consolidation of the people of the Ukraine and of the whole country is one of our most important tasks. With their vast experience, the Communists in particular can do a great deal to facilitate civil harmony. Therefore I am deeply convinced that the party of Communists, of which the majority of the republic's Supreme Soviet deputies are members, must

be among those who attack all ambition, spiritual stagnation, or attempts to bind the whole community with unprogressive regional measures or aspirations. In this way it will be able to help bring the potential of our society to fruition more quickly.

[Gusev] Are you speaking about the idea proposed at the 28th CPSU Congress of consolidating all the progressive forces of society as quickly as possible? You have said that this must be our primary goal in order to harmonize all the efforts of the new political formations and direct their energies toward peaceful goals.

[Kravchuk] Yes, we need to take into account the new stars on the political horizon. But the main thing is not quantity but quality... Unfortunately, for the present many of them suffer from an excessive tendency to make pronouncements for effect or else from clamorousness and a desire to oppose everything and everyone. But everyone knows what happens if Jupiter becomes angry... Nonetheless we are trying, even at this session, the first in the life of many of the deputies, to find accord between the various groups and a basis for cooperation with organizations and movements that are ready to fight together to reduce social and political tension. I believe that a constructive dialogue with all who strengthen a constitutional, socialist foundation is a most necessary instrument in the work to further democratization. Now that the multiparty system has become a reality, the activities of a core of Communists in the parliament must reflect as far as possible any possible relations between parties and seek a kernel of accord and nurture it. Not to heed this call of the times would be more costly than I can say.

It is even more necessary to see harmony when it is a question of matters of great state importance. Just such an atmosphere, in particular, reigned in the hall when the session adopted the Declaration on the Sovereignty of the Ukraine. I hope that such an atmosphere will also be present when, together with the great problems touching upon the deepest concerns of our life, we must also resolve the divisive, daily issues which agitate millions of people. Without understanding this dialectic of our complex times it will be difficult to expect to speed up the resolution of long-range tasks. I am convinced that only by working for the future and not forgetting about daily problems at the same time can we hope for great efficiency from the Ukrainian Supreme Soviet and its government.

The people's consciousness has been deformed by bad memories. Damaged by the mistakes of the present, the people's spirit has reacted painfully and critically to what has taken place all these several months while the session was in progress, both within the halls of the Ukrainian SSR Supreme Soviet and outside them—from the numerous demonstrations in Kiev, Lvov, Donetsk, and other cities of the Ukraine, to the mining strikes and the refusal to work of the Kiev electric transport drivers. I believe that the root of many confrontations, the pain of which has been expressed and is expressed in speeches in the streets, is in one and the same thing—the appearance of misunderstandings in instances where they could have been avoided, especially during the first stages of the appearance of conflict. Many, including many workers of both soviet and party organs, do not have the ability to listen as well as the ability to understand and see the opponent's point of view. This is especially true of the youth organizations, whose members seem to compete in the desire to abase their former comrades.

And intolerance and searching for "the image of the enemy"—all this is atavism. Or else simple ignorance. Any proposal that does not please such "interlocutors" is met with cries, and laws or edicts are defamed as "antipeople." And it is all the more strange to observe such intemperance in the hall of the session at any level. It is no less strange when, for the sake of a colorful description of horrors "on a local scale," information is simply distorted. You hear a speech and shivers run up and down your spine. You begin to verify the facts and everything looks different. And then you are amazed at the irresponsibility with which some person with the rank of deputy risks coming to the tribune.

Of course we are still learning democracy. Much takes place as a result of inexperience. But a conscious wish to "fish in troubled waters" is another matter. This undoubtedly is the aim of all those who, seeming in a hurry or unfamiliar with the rules or ignorant of how to conduct themselves in extreme situations, simply abuse democracy. Is not this the source of their "extreme measures" which, often completely deservedly, evoke an extremely heated reaction from rank-and-file workers who suffer innocently from such scrapes?

[Gusev] What can oppose this sort of thing?

[Kravchuk] Nothing but the truth, however cruel it may be, as well as firmness and consistency of party positions. Despite the fact that the new party statutes adopted by the 28th CPSU Congress clearly define the impossibility of a Communist's membership in another party, some deputies with party cards are allowing themselves anti-party, anti-Leninist statements. Calmness, firmness, depth of analytical evaluations, proofs—these are exactly the things that are able to cool off the hottest heads, those that only pay lip service to democracy.

We who occupy leadership positions are currently doing everything we can to avoid provoking confrontation in the future and to avoid further injuring people's feelings. I have repeated it many times, and I am prepared to repeat it again: If we wish harmony and good, constructive prospects, then we must act on the basis of our declaration.

Incidentally, I must say that all political reforms in our life must only be viewed through the prism of the whole democratic process. And fate has granted the parliamentarians of the republic the splendid opportunity to personally decide questions which have never before been examined within the walls of the session's halls—the questions of the "Decree on Power" and the "all-Union

treaty." I am convinced that they must make their decisions solely on the basis of the great principles of democracy, Soviet power, and socialist choice. And if someone wishes to seek other roads, nothing useful will come of it. We must convince the people that the time for confrontation is past and that the time for constructive work has arrived—peaceful, considered, fruitful work.

Television Airs Chernobyl Aftermath Problems

LD1608203390

[Editorial Report] Moscow Television Service in Russian in its "Vremya" newscast at 1700 GMT on 16 August, carries a two-minute correspondent's report which states that today there are about 1.8 million direct victims of the Chernobyl disaster still living in the Ukraine alone. They include 380,000 children. He notes that in Baryshevskiy Rayon, Kiev Oblast, more than 2,000 comfortable homes have been built for permanent evacuees, whereas in Poleskiy Rayon, 14 villages in the danger zone are still awaiting resettlement.

The first deputy chairman of the Council of Ministers of the Ukraine, Konstantin Ivanovich Masik, says in an interview that 16.8 billion rubles are to be spent on the relief program. This year 15,000 people will be resettled; next year, 1.158 billion rubles will be spent and 67 centers of population relocated, involving "at least 32,000 people." Yet these will be "only the first steps toward solving the Chernobyl tragedy."

Democratic Union of Novorossia Formed in Odessa

LD1608104390 Moscow TASS in English 1025 GMT 16 Aug 90

[By UKRINFORM-TASS correspondents Lilia Novitskaya and Yefim Shvartsman]

[Text] Odessa August 16 TASS—The Democratic Union of Novorossia is a new public and political organisation that was founded in Odessa early this week. It opposes "conservative and extremist forces infringing upon the interests of the population of Novorossia" (the previous name of the northern coast of the Black Sea, now a part of the Ukraine).

"The establishment of the Democratic Union of Novorossia is a healthy response by the descendants of the Novorossia people to the national extremism that is now rearing its head in the Ukraine and neighbouring Moldavia," says Aleksey Surilov, D.Sc. (Law).

Under a peace treaty with Turkey, Russia acquired lands between the estuaries of the southern Bug and Dniester rivers in 1791. They were a vast lifeless steppe.

These lands were included in the so-called new Russia, the political and administrative center of which was the port city of Odessa.

The population of the Novorossia area was ethnically diverse even at that time. People spoke 50 languages. Odessa and the entire area quickly turned into a major centre of international trade.

Guided by historical experience, the Democratic Union of Novorossia now sets out to revive this area territorially, ethnically, socially and economically.

The Union's economic programme is aimed at developing a market economy with the co-existence of public, state and private property. It specifies inviting foreign capital in the form of joint ventures and enterprises fully owned by foreign companies.

The Union's founders perceive Novorossia a "democratic and sovereign state entity" within a "federative sovereign and integral Ukraine." The Union resolutely opposes the introduction of one state language in the area.

People in Novorossia should speak the languages that they prefer, since language is a form of human relations, a "culturological and not authoritarian-state institute," the Union's programme states.

Party Newspapers Reorganized in Kharkov

LD1808131990 Moscow Domestic Service in Russian 0330 GMT 18 Aug 90

[Text] The bureau of the Kharkov Oblast Committee of the Ukrainian Communist Party has adopted a decision on the reorganization of the oblast press, in accordance with which, from January next year, the SOTSIALISTICHNA KHARKOVSHCHINA newspaper will cease to exist, and a newspaper of the Kharkov Oblast Soviet of People's Deputies will be established on its foundations. The status of another oblast newspaper, the KRASNAYA ZNAMYA has been changed. Now, it will only be an organ of the Kharkov Oblast Committee of the Ukrainian Communist Party. It has been proposed to its editorial board that it develop a new thematic direction and study the viability of issuing the publication in both Ukrainian and Russian.

Caucasus

'Self-Defense Detachments' Forming in Armenia

LD1808163990 Moscow TASS in English 1626 GMT 18 Aug 90

[Text] Yerevan August 18 TASS—By ARMENPRESS-TASS:

According to a resolution of the Armenian Supreme Soviet, the enlistment of volunteers to self-defence detachments began here today. These armed groups will ensure the fulfilment on territory of the republic of the presidential decree of July 25, protect life, health and

property of people from the encroachments of the criminal world and stabilise the situation. They will be subordinated directly to the Armenian supreme authority.

"The selection of candidates to the detachments will be very strict," said Yuriy Arutyunyan, people's deputy of the Armenian Republic and member of the commission for defence and interior issues. "The indispensable condition for the candidates is a service record in the Soviet Army. We also introduced an age limit of 35 years. All candidates without exception will undergo a full medical checkup and will have a conversation with members of our parliamentary commission. Even a five-minute conversation with a person makes it possible to get an idea of his way of thinking, frame of mind and convictions. It is very important for us to show the people into whose hands we shall put arms, whom we shall entrust with protecting the most crucial sphere of the stabilisation of the situation. We must be confident that no member of the detachment will use the arms for evil or unjust purposes."

Some 800 volunteers are expected to enlist by the end of the first day. It will be about half of the strength of the detachments, because the Armenian Supreme Soviet decided to limit it by 2,000 so far.

The detachments will be registered at the Interior Ministry, and their uniform will resemble that of militiamen, but will have special chevrons and other insignia.

Georgian Parliament Session To Begin 17 Aug

LD1608171790 Moscow TASS in English 1604 GMT 16 Aug 90

[By TASS correspondent Igor Gvritishvili]

[Text] Moscow August 16 TASS—The parliament of the Soviet Transcaucasian Republic of Georgia opens its session in Tbilisi on Friday amid heated political debates in the republic and a crisis in the economy.

The session will discuss a bill on elections which are scheduled to be held in Georgia in late October. For the first time in Soviet history, more than one party will take part.

Parliament will consider three alternative bills. Two were drafted by the parliament's presidium, and the third was drafted jointly by the Democratic Choice for Georgia, the Liberal Democratic National Party, the People's Front of Georgia, the Greens Party, political organisations grouped in the "roundtable", and the Republican Federative Party.

Local experts see no substantial difference between the bills and say the session is most likely to adopt a version that will suit all sides.

At the same time, several radical public and political organisations are attempting to destabilise the situation, seeking confrontation not only with the Communist Party but also with opposition movements favouring political dialogue.

In late July, these organisations demanded that the session be moved forward to August 7 and that only their bill, which they describe as the only acceptable one, be published.

They backed their ultimatum by a blockade of the railways and some enterprises. Attempts were even made to disrupt power supplies and the operation of an airport.

Georgian newspapers say the blockade has put the republican economy on the brink of disaster. The four-day blockade cost Georgia about four million roubles.

Commenting on the political situation in the republic in a TASS interview, Georgian Communist Party leader Givi Gumbaridze said his party had given up its monopoly on power and was building relations with other public and political movements on a democratic and equitable basis.

"However, the opposition, which due to this has got access to the political scene, often uses banned, incorrect methods that are outdated since the epoch of totalitarian arbitrariness," he said.

Gunbaridze expressed conviction that "this process, which does not fit into the logic of society's development, is temporary, transitional".

Central Asia

Emergency Declared in E. Kazakhstan Oblast

LD1608134890 Moscow Domestic Service in Russian 1300 GMT 16 Aug 90

[Text] A state of emergency has been declared on the territory of East Kazakhstan Oblast. The second destructive blow from the elements came to the southern areas of Rudnyy Altay. Thousands of homes, schools, kindergartens, industrial, and other sites were again affected. The earthquake brought unfavorable changes to the progress of restoration work. The volume of it has virtually doubled. In order to eliminate the consequences of the elements it will now require at least 1.2 billion rubles of capital investment.

Kazakh Supreme Soviet Forms Two New Oblasts

LD1808141290 Moscow Domestic Service in Russian 0800 GMT 18 Aug 90

[Text] The presidium of the Kazakh SSR [Soviet Socialist Republic] Supreme Soviet has adopted two decisions: to restore the Turgay Oblast to its former frontiers, and to form the Mangistauz Oblast with the frontiers of the Mangyshlak Oblast, which was abolished previously. The administrative centers will be Arkalyk and Shevchenko, respectively.

Deputies of the Guryev, Kustanay, and Tselinograd Oblast Soviets, whose constituencies have become part of the new oblasts, will preserve their authority until the next elections.

A great deal of organizational work is to be done for these two oblasts to operate with well-regulated mechanisms of power and management by the new year.

Armed Escorts for Kirghiz Workers in Osh

PM1708151690 Moscow KOMSOMOLSKAYA PRAVDA in Russian 14 Aug 90 p 1

[V. Viktorov report under the rubric "Topically!": "Osh: A Guard for Every Family?"]

[Text] The situation in Osh Oblast is gradually getting back to normal. The curfew has been shortened in 13 rural rayons and also in the cities of Tash-Kumyr, Osh, Dzhalal-Abad, and Kyzyl-Kiya. It has been completely lifted in a number of settlements.

But if virtually all enterprises and organizations in the oblast center are now working at normal pace, then in Uzgen city, where it has still not been possible to remove the tension caused by the conflict, many of them are experiencing a manpower shortage. This has been caused primarily because many Kirghiz who left Uzgen during the notorious events are unable to return to their workshops or offices. Some are held back by fear for their fate, and some simply have nowhere to live—many apartments of Kirghiz residents of Uzgen were ransacked by looters during their enforced absence. Regrettable as this is, the Kirghiz and Uzbeks who had nothing whatever to do with the bloody events of June are now suffering more.

But nevertheless time and common sense are gradually getting the upper hand. Thus, around 220 Kirghiz families—over 1,000 people—have now returned to their homes in Uzgen. Only their neighbors here have not exactly greeted them with hospitality—there are instances of insults and threats. In view of this situation, the homes where Kirghiz families are living have been put under constant militia guard. And the residents themselves prefer not to leave their homes and not to allow their children outside. And they are escorted to work by submachinegunners.

And another thing. By order of oblast Commandant V. Goncharov the activities of informal social organizations—the Kirghiz "Osh Aymagy" and the Uzbek "Adolat" and "Birlik"—have been suspended.

Dushanbe Forms Local Militia Detachments

LD1708093190 Moscow Domestic Service in Russian 0515 GMT 17 Aug 90

[From the "Panorama" program]

[Text] [Announcer] I would like to draw your attention to a piece of news which has arrived from Dushanbe, where a formerly unseen phenomenon has been noticed. Detachments of municipal and local militia are being set up there. Muzafar Madzhidov, our correspondent in Dushanbe, gives the details:

[Madzhidov] Dushanbe, the capital of Tajikistan, since the notorious tragic events of February lives in accordance with the laws of a state of emergency. Around the clock, members of the militia keep civil order, carry out their duty, and patrol the city streets. Today, there are reinforcements for their ranks. Newly formed detachments of what is being called local militia have come to their assistance. I asked Asatulo Alayevich Shamatov, deputy head of the Internal Affairs Directorate of the Dushanbe town executive committee, to comment on this event.

[Shamatov] Now, a decision has been adopted by the Dushanbe town executive committee to set up a local militia regiment to be funded as part of the local authorities' budget. You yourself know that the situation remains very tense, especially after the February events. Therefore, we made a request of the leadership of the town Soviet and the town executive committee, asking for assistance in financing this local militia. The matter of finance has now been completely resolved and we have begun bringing the local militia up to strength.

Our militia will number 500 men, in accordance with the budget to be allocated by the local Soviet. We now have 200 men in terms of manpower acquisition. These 200 men have had intensive training at the training center base of the Tajikistan Soviet Socialist Republic Ministry of Internal Affairs and on duty.

[Madzhidov] How and with whom will they carry out their duty?

[Shamatov] First, they will be directly subordinate to the rayon Soviets and will be in contact with the people in the housing estates.

[Madzhidov] Well, and who are these young men who have joined the local militia? What wages will they get? What benefits can be provided, some kind of condition for them?

[Shamtov] These are men who have served in the ranks of the Soviet Army, who have had specialized secondary education and secondary education [as heard], and are trained and tough. And the executive committee has allocated them a wage of R300 per month. They will enjoy all the benefits which are provided in accordance with the regulations for other members of the militia.

Clashes Between Russian, Tajik Soldiers Denied

LD1708193490 Dushanbe Domestic Service in Tajik 0830 GMT 17 Aug 90

[Text] In recent days rumors have been spreading in Gissar Rayon and Dushanbe city on ethnic clashes having allegedly taken place between soldiers in Moscow garrison, where conscripts from Tajikistan are serving.

According to these rumors, a number of wounded from these clashes have been taken to hospitals in Moscow and Dushanbe.

Major General Mayatov, head of a special department of Moscow Military District, resolutely rejected these rumors. He said no clashes have taken place between Russian and Tajik servicemen. No Tajik servicemen have been hospitalized in military hospitals in Moscow or Dushanbe cities. These are false and malicious rumors.

New Tajik Party Drafts Alterntive Document

LD1708211290 Moscow TASS in English 2051 GMT 17 Aug 90

[By TASS correspondent Nina Merezhnikova]

[Text] Dushanbe August 17 TASS—A Tajikistan Democratic Party, which declared itself recently, today issued a draft declaration of state sovereignty of this Soviet Central Asian republic. This draft is alternative to the government one.

The new party, which has been set up on the basis of a number of public movements that have emerged during perestroyka, has a following of about 4,000, according to party leaders.

The authors of the alternative draft disagree with the government document's main provision which defines the republic as a "sovereign socialist state".

Democratic Party leader Shodmon Yusupov believes that such wording may lead to a ban on all parties and movements that do not adhere to the positions of socialism.

The Democratic Party's alternative document envisages the "depolitisation of judicial bodies, KGB, interior-ministry and army agencies and the political and economic sovereignty of the republic among a confederation of independent states, not a federation. [no closing quotation marks as received]

The publication of the alternative version of declaration will hardly be able to influence the results of voting on the bill: "It is difficult to change the attitude of national parliament deputies who in their majority are conservative," Yusupov told TASS.

However, Democratic Party members still entertain hope for a dialogue with members of parliament on the eve of the republican parliament's second session which will open in three days' time.

Turkmenia's Niyazov Addresses Council of Elders

LD1708200190 Moscow Television Service in Russian 1430 GMT 17 Aug 90

[Video report by correspondent K. Babeyev; from the "Vremya" newscast]

[Excerpts] [Announcer] A meeting was held today between Niyazov, chairman of the Supreme Soviet of the Turkmen Soviet Socialist Republic, first secretary of the Central Committee of the Turkmen Communist Party, and members of the republic's Council of Elders.

[Babayev] The Council of Elders, an institution which has been in existence now for several decades, is a highly authoritative force in the republic's villages, where 60 percent of the population live. [passage omitted]

The first republican congress of representatives of these councils was held in Ashkhabad this spring. A higher republican council was elected at this congress. Today, the discussions begun in the spring were continued in a picturesque locality called Manysh, near Ashkhabad, in the shade of hundred-year old plane trees. The first results of the decisions taken at that time were reviewed. Comrade Niyazov told the veterans about the progress being made on work to draw up a new Union treaty and the state of affairs in the Republic on the eve of the switch to market relations.

Quite a few critical remarks were levelled at the leaders of the republic—and the meeting was attended by Comrade Akhmedov, chairman of the Council of Ministers, as well as Niyazov. Work to reinvigorate the social life of villages is proceeding very slowly. For instance, many of them have not yet received a supply of gas, even though the republic is the country's second largest producer of natural gas. The number of unemployed people is steadily increasing in the countryside.

Laws on the state and economic sovereignty of the republic will be discussed at the session of the Supreme Soviet of the Turkmen Soviet Socialist Republic to take place on 20 August. Expressing the sentiments of the overwhelming majority of the population, the members of the republican Council of Elders advocated that the republic be part of a reinvigorated federation.

Foreign Economic Bank Opens in Uzbekistan

LD1608212590 Moscow TASS in English 2056 GMT 16 Aug 90

[By TASS correspondent Lev Levin]

[Text] Tashkent August 17 TASS—More than 100 large industrial enterprises and organizations have become the first depositors of the new Uzbekistan's bank for foreign economic operations.

The bank will finance major government social and economic programmes and help its customers buy hi-tech equipment abroad.

Several leading Asian banks said they will cooperate with the new institution.

Uzbek bankers will train in West Germany and France this year.

Uzbek financiers said they will concentrate on attracting foreign investment to the republic.